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THE
REPORTS

Made for the Year 1862 to the Secretary of State having the Department of the Colonies; in continuation of the Reports annually made by the Governors of the British Colonies, with a view to exhibit generally

THE PAST AND PRESENT STATE
of the Colonial Office Report made
to the Secy of State.
HER MAJESTY'S COLONIAL POSSESSIONS.

TRANSMITTED WITH THE BLUE BOOKS
For the Year 1862.

PART II.
NORTH AMERICAN COLONIES;
AFRICAN SETTLEMENTS AND ST. HELENA;
AUSTRALIAN COLONIES AND NEW ZEALAND;
EASTERN COLONIES;
MEDITERRANEAN POSSESSIONS AND IONIAN ISLANDS, &c.

Presented to both Houses of Parliament by Command of Her Majesty,
1864.

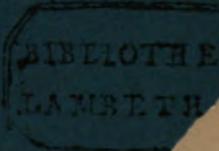


LONDON:

PRINTED BY GEORGE EDWARD EYRE AND WILLIAM SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY.
FOR HER MAJESTY'S STATIONERY OFFICE.

1864.

[Price 2s.]



vol II

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R E P O R T S

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REPORTS EXHIBITING THE PAST AND PRESENT

CANADA.

CANADA.

No. 1.

No. 1.

COPY of a DESPATCH from Governor-General Viscount MONCK to his Grace the Duke of NEWCASTLE, K.G.

(No. 4.)

My LORD DUKE,

Quebec, January 22, 1864.

I HAVE the honour to transmit the annual Blue Book of the Province of Canada for the year 1862, and the Reports from the different departments of the Government for the same period.

These reports enter so fully into the various details of the different departments to which they refer, that I do not think anything that I could say would add to or simplify the information which they contain.

I have in my current correspondence kept your Grace informed as to the occurrences which affected the general Government of the Province during the period to which these Reports refer, and I do not, therefore, think it necessary further to allude to them at present.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

I have, &c.
(Signed) MONCK.

EXTRACTS from DEPARTMENTAL REPORTS contained in SESSIONAL PAPERS of 1863.

REPORT of the FINANCE MINISTER of CANADA on the TRADE of the PROVINCE.

To his Excellency the Right Honourable CHARLES STANLEY Viscount MONCK, Governor-General of British North America, &c. &c. &c.

MAY IT PLEASE YOUR EXCELLENCY,

I HAVE now the honour to lay before your Excellency the Trade and Navigation Returns for the year 1862.

The total value of the imports for the past year has been - - - - - \$48,600,633
And the value of imports in 1861 was - - - - - 43,054,836

Showing an increase of - - - - -

Of the total importations in 1862, \$23,971,370 were of dutiable goods, against \$25,094,748 in 1861, showing a decrease in this class of imports of \$1,123,378.

The customs receipts in each year compare as follows:—

In 1861	- - - - -	\$4,768,192
In 1862	- - - - -	4,652,748

Showing a decrease of - - - - -

Comparing the value of dutiable goods imported during the first half of 1862 with the value of those imported in the first half of 1861, and also comparing the duties collected thereon respectively, we have the following results:—

	Value.	Duty.
1861	\$12,911,135	\$2,505,570
1862	11,955,459	2,059,826
Decrease	955,676	445,744

A result which may be attributed to the continuance of the civil war in the United States, and more especially to apprehensions excited by the seizure of the "Trent" and the subsequent action of the Imperial Government.

A similar comparison of imports of dutiable goods, and of duties collected during the last half of the same years, shows a small decline in value; but owing to the change in the tariff the customs revenue shows an important increase. In the last half of

	Value.	Duty.
1861	\$12,175,700	\$2,262,623
1862	12,020,911	2,592,923
Decrease	\$ 154,789	Increase \$ 330,300

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

5

The increased value of imports in 1862 is, therefore, altogether due to the importation of free goods, of which the value in that year was	\$ 24,624,263	CANADA.
While in 1861 the value was	- 17,960,088	
Showing an increase of	<u>\$ 6,664,175</u>	

Of this increase \$2,130,054 is due to imports of military and naval stores and clothing, \$679,105 to unmanufactured tobacco, and \$2,886,571 to the increased importation of cereals.

The increased values of the free goods on the one hand, and the reduced values of the dutiable goods on the other, may be in some degree ascribed to the fact that during the latter half of the year considerable deductions were authorized from American invoices subject to duty, whilst the free goods were entered and officially returned at the invoice values, without deduction.

With respect to the excise it will appear by the returns that the revenue from that source has largely increased. The duty collected on spirits and malt liquors amounted in

1862 to	\$ 480,848
And in 1861 to	<u>285,947</u>

Showing an increase in 1862 of	\$ 194,901
--------------------------------	------------

This, as well as the increased revenue obtained from customs in the last half of the year, show the result of the measures adopted during the last session of Parliament.

The exports in 1862 fall short of those of 1861 by \$3,018,070, the amounts for each of those years standing respectively as \$33,596,125 and \$36,614,195. Of this decrease the falling off in the exports of flour represents \$770,581, and of wheat \$2,119,519, while the total decrease in the exports of agricultural products amounts to \$3,195,474. This decrease, with the increased imports of cereals previously referred to, gives some guide to the deficiency of our harvest in 1862 as compared with the harvest of 1861.

The movement of property on the provincial canals shows a steady increase. On the Welland Canal the movement

	Tons.
In 1859 was, of Property	709,611
,, Vessels	<u>856,918</u>
	1,566,529
In 1860, of Property	944,084
,, Vessels	<u>1,238,509</u>
	2,182,593
In 1861, of Property	1,020,483
,, Vessels	<u>1,327,672</u>
	2,348,155
In 1862, of Property	1,243,774
,, Vessels	<u>1,476,842</u>
	2,720,616

And on the St. Lawrence Canals the movement was as follows :—

In 1859, of Property	631,769
,, Vessels	<u>765,636</u>
	1,397,405
In 1860, of Property	733,596
,, Vessels	<u>824,465</u>
	1,558,061
In 1861, of Property	886,908
,, Vessels	<u>1,009,469</u>
	1,896,377
In 1862, of Property	964,394
,, Vessels	<u>1,049,230</u>
	2,013,624

The movement on the Welland Canal has therefore increased in 1861 by 7½ per cent. over 1860, and in 1862 by 15 per cent. over 1861; whilst on the St. Lawrence Canals the movement of tonnage has increased in 1861 by 22 per cent. over 1860, and in 1862 by 6 per cent. over 1861.

In this connexion I propose to consider the effect which the removal of the tolls from the St. Lawrence Canals and the reduction of those on the Welland has had on the movement of property through those works.

That the movement of property by the St. Lawrence route has been greatly augmented during the past three years is sufficiently apparent from the figures above given, and we may congratulate the country thereon; but that this increase has been due to the remission of the tolls is not to be assumed without taking into account other circumstances which have mainly influenced the direction of trade.

First among these circumstances may be stated the greatly increased production of cereals in the Western States, and the figures presently introduced will show that in proportion to that increase, and to the whole volume of agricultural produce moved from Lakes Erie and Michigan to tide-water, we have not obtained so large a traffic since the removal of the tolls as we obtained prior to the adoption of that policy.

REPORTS EXHIBITING THE PAST AND PRESENT

CANADA.

The following statement shows the quantity of grain sent eastward from the Lake regions, including Western Canada, during the last seven years :

	Flour—Barrels.	Wheat—Bushels.	Corn—Bushels.	Other Grain—Bushels.	Total reduced to Bushels.
1856	3,865,442	19,505,358	14,282,632	4,592,569	57,707,769
1857	3,897,954	16,763,285	8,779,832	2,256,944	44,789,851
1858	4,499,613	21,843,850	10,495,554	5,035,097	59,872,566
1859	3,760,274	16,865,708	4,423,006	4,264,051	44,354,225
1860	4,106,057	32,334,391	18,075,778	7,712,032	78,652,486
1861	6,533,869	46,384,144	29,524,628	10,686,115	119,264,233
1862	8,359,910	50,699,130	32,985,923	10,844,939	136,329,542

The statement on the next page shows the proportion of wheat and flour which has passed from the Western States to tide-water by the St. Lawrence and Erie Canals respectively during the same period.

	1856.	1857.	1858.	1859.	1860.	1861.	1862.
	Reduced to Bush. Wheat.						
Movement of American Breadstuff downward through the St. Lawrence Canals	1,209,612	1,930,280	1,876,933	1,988,759	1,846,462	3,103,153	5,320,054
Movement through the Erie Canal	15,342,833	10,601,532	13,757,283	10,371,966	23,912,000	34,427,800	39,240,131
Total movement to tide-water	16,553,445	12,531,812	15,634,216	12,360,725	25,758,462	37,530,953	44,560,185
Per-centaged passed through the St. Lawrence Canals	7·3%	15·4%	12·01%	16·08%	7·16%	8·26%	11·4%

NOTE.—The above statement is computed by adding to the importations (from United States Ports) at Kingston the quantities sent down the St. Lawrence Canals from the United States to Canadian Ports; and it is assumed that all the imports at Kingston were sent down the St. Lawrence Canals.

The movement on the Erie Canal during the first six years is taken from the Canal Auditor's Reports.

The movement through the Erie Canal in 1862 is taken from "Hunt's Merchant's Magazine."

This statement relates only to wheat and flour.

Hence it appears that of the whole quantity of Western wheat and flour which was transported to tide-water through the New York and Canadian Canals during the past seven years we obtained for the St. Lawrence route in

1856	-	-	-	7·3 per cent.
1857	-	-	-	15·4 "
1858	-	-	-	12·01 "
1859	-	-	-	16·08 "
1860	-	-	-	7·16 "
1861	-	-	-	8·26 "
1862	-	-	-	11·4 "

These are the principal commodities which have heretofore passed through the St. Lawrence Canals. If we include with them the Indian corn, which figures so largely in the Welland and Erie Canal returns, the per-centaged will become still less favourable to us, and the proportions will be still further reduced by bringing into the comparison the cereal products of the Western States which are carried to tide-water by the several railways converging on the Atlantic Ports.

Among the circumstances which have influenced the direction of trade may also be reckoned the improved facilities now available at Kingston and Montreal for the transhipment of grain. These facilities have been created within the past four years, and there is little doubt but the advantages they afford have a money value to shipowners greater than the tolls now imposed.

It is also known that the owners of western produce have been induced to direct their property to Canadian ports, by considerations connected with the derangement of the currency of the United States.

While we have failed to obtain so large a proportion of the western trade since the removal of the tolls as we obtained in 1859 and in preceding years, the tolls levied on property passing through that canal, which is the chief competitor with the St. Lawrence route, have been materially increased, as the following comparison of tolls on the three principal articles will show:—

	1860 and previous Years. Toll per 1,000 lbs. per Mile.	1862.	
		Toll per 1,000 lbs. per Mile.	
On Corn	2 Mills.	2½ Mills.	
," Flour	2 do.	3 do.	
," Wheat	2 do.	3 do.	

This increase is equivalent to an advance of 70 cents per ton on wheat and flour from Buffalo to tide-water, and of 40 cents. per ton from Oswego to tide-water; whilst the advance on corn is equivalent to 35 cents per ton from Buffalo, and to 20 cents per ton from Oswego.

The rates of freight have also increased by the Erie Canal, and they have increased in a still greater ratio by the St. Lawrence. During the four years next preceding 1859 the average freight for flour from Lake Ontario ports to Montreal was \$1.84½ per ton.

In 1860, the year in which the tolls were removed from the St. Lawrence Canals, the rate of freight was - - - - - \$2.11½ per ton.

In 1861 it was - - - - - 2.56½ "

In 1862 it was - - - - - 2.61 "

So that the increase over the average of the four years preceding 1859 has been

In 1860 = 72 cents per ton.

In 1861 = 72 cents "

And in 1862 = 81 cents "

If we add to these figures the tolls remitted, we find that the forwarders received over the average rates which they obtained in the four years above alluded to—

In 1860 = - 49 cents per ton.

In 1861 = 94 cents "

In 1862 = 1.03 cents "

together with the tolls on the tonnage of his shipping.

Comparing in a similar manner the rates of freight obtained for carrying wheat, we have a still more striking example of the advanced rates which the forwarders have been able to exact.

The average freight rates for wheat from Lake Ontario ports to Montreal in 1855, '6, '7, and '8, was \$1.81 per ton:—

In 1860 the average rate was - \$2.80 per ton.

In 1861 it was - - - - - 2.72 "

And in 1862 it was - - - - - 2.71 "

Thus the advance over the average rate during the four years first named was—

In 1860 - - - - - \$1.21

In 1861 - - - - - 1.13

And in 1862 - - - - - 1.13

Adding the tolls relinquished by the Province it will be seen that the advance obtained by the forwarder has been—

In 1860 - - - - - 1.43

And in 1861 and '2 - - - - - 1.35 per ton.

Together with the tolls due to the tonnage of his vessels.

Whatever else may be urged in favour of free canals, it certainly cannot be said that the policy of 1860 has been productive of benefit, either to the producer or consumer of Western breadstuffs; and from the advance which has taken place in the freights by the St. Lawrence route, as well as in both tolls and freight, by the competing route to tide-water at Albany, it is abundantly manifest that the forwarder can pay a moderate toll without unduly trenching upon his profits.

It can be shown from reliable data that in so far as the actual cost of transport (including therein the canal tolls recently imposed) is concerned, Western produce can be carried to tide-water much cheaper by the St. Lawrence than by any competing route; and we must trace our failure to obtain for our canals a greater proportion of the Western trade to other causes than the charges heretofore imposed for the use of those works. I am persuaded that the chief cause of that failure lies in the absence of sufficient competition among forwarders engaged in the St. Lawrence trade; in the financial relations between shippers engaged in the Western trade and the capitalists of New York; and finally and chiefly in the lower rates of ocean freights from New York to Europe, occasioned by the greater competition at that port than is to be found at Quebec or Montreal.

It is gratifying to know that the Canadian forwarder has been able to obtain the advanced rates above quoted, but we cannot find therein a justification of that policy which, in addition to other advantages, would give him the free use of costly works which complete the grandest system of inland navigation in the world, and have not been constructed without imposing heavy burthens on the country.

If it could be shown that the tolls remitted had gone in mitigation of the comparatively high rate of ocean freight to which our trade is subject, we might find in that fact some reasons for making our canals absolutely free. But it has been shown that this has not been the result. The tolls have gone to enhance the profits of the forwarder, whose freight tariff has been regulated, not by the cost of doing his work, but by the competition with which he has had to contend.

There is but one course open for securing that quota of the Western trade which the advantages of the St. Lawrence route gives us reason to anticipate. If we can give to the owners of the largest vessels now profitably engaged in the trade of Lake Michigan the option of trading to Kingston and the St. Lawrence or to Buffalo, as may be found most profitable, we shall have thrown down the barrier which now forces the main current of trade into the Erie Canal. We shall have more than balanced the greater insurance and freights charged from our sea ports to Europe over the corresponding charges from New York, and we may thereafter expect Quebec and Montreal to take rank amongst the greatest grain marts of this continent.

All of which is respectfully submitted.

Quebec, May 12, 1862.

W. P. HOWLAND,
Minister of Finance.

REPORTS EXHIBITING THE PAST AND PRESENT

CANADA.

REPORT of the MINISTER of FINANCE of CANADA.

To his Excellency the Right Honourable Charles Stanley Viscount Monck, Governor-General
of British North America, &c. &c.

May it please your Excellency,

The undersigned has the honour to submit to your Excellency the public accounts of the Province for the year 1862.

The total expenditure of the year, including payments on account of redemption of public debt, amounted to - \$11,395,923

The total receipts - - - - - 10,629,204

Showing an excess of payments over gross receipts - - - - - 766,719

This difference has been met by changes in the cash balances and bankers' accounts.

From the gross expenditure - - - - - 11,395,923

Deduct the amount of debentures redeemed - - - - - \$ 279,830

And debentures charged as redeemed in 1861, but paid in 1862 - - - - - 144,412

- - - - - 424,242

Making the net expenditure - - - - - \$ 10,971,681

On the other side,

Deducting the debentures issued - - - - - \$ 2,220,760

And investments realized - - - - - 201,298

- - - - - \$ 2,422,058

The net receipts are reduced to - - - - - 8,207,145

Exhibiting as the actual deficiency - - - - - \$ 2,764,536

To bring out this result, the undersigned has proceeded upon a principle different from that which has ordinarily governed the official statement of the financial position of the province at the close of each year. Adopting the accounts for 1861 as an example, it may be remarked, that had the balance sheet for that year been constructed on the basis accepted by the undersigned, it would have stood as follows:—

Total expenditure - - - - - \$ 14,742,834

Less debentures redeemed - - - - - 2,738,872

And less sum paid on account of redemption for previous year - - - - - 179,945

- - - - - \$ 2,918,817

- - - - - \$ 11,824,017

Total receipts - - - - - \$ 12,655,581

Less debentures issued and stock subscribed - - - - - 2,756,305

Less amount unpaid on account of debentures

redeemed - - - - - 145,521

Investments realized - - - - - 901,049

- - - - - 3,802,876

- - - - - 8,852,705

Actual deficiency in 1861 - - - - - \$ 2,971,311

It will be seen that the undersigned has proceeded on the assumption that from one source or another the province should year after year meet its expenditure, whatever that is; the only allowable exceptions being expenditure incurred in the construction of important public works, permanent and it may be remunerative in their character, and payments on account of engagements already contracted, and standing in the shape of actual debt. He has consequently abstained from making several deductions which it has been usual to make in the statement of the yearly deficiency. He has preferred to state it as it really is, that the province may understand the full extent of the demand upon its resources which it may properly be called to meet. Thus, from the gross expenditure and receipts he has taken the redemption of debt and the issue of debentures, and also such receipts and repayments as were on account of redemption, which, had they come into the same year, would not have appeared at all. He has further deducted investments realized, which may be generally characterized as in fact equivalent only to a transfer from one banking account to another. The result he calls the net expenditure and the net receipts, the difference between which forms the actual deficit of the year, which we must provide for either by borrowing or by increasing the revenue. The borrowing process has unfortunately been employed too generally and too long, encouraging unnecessary expenditure, and relieving the community from the burdens which it should be made to bear as the consequence of its own acts. The time has come when another method must of necessity be pursued. Instead of taxing our credit, and so transferring burdens from ourselves to posterity, it is desirable that we should now tax our available resources to an extent indicated by the deficiency; and the first step towards the change is to present the true result of the year's financial transactions, that the entire deficiency may be known.

Referring to the items composing the principal sources from which the ordinary income of the Province is derived, the undersigned may remark, that although the receipts from customs' duties have not quite realized the expectations he entertained in May last, it is satisfactory to know that the changes then made in the tariff led to a large increase in the revenue during the latter half of

the year. In the first half there was a deficiency as compared with the receipts in the corresponding period of 1861 amounting to \$439,724, whilst the increase in the second half amounted to \$317,345, showing a falling off in the receipts of the year of only \$122,379. The excise revenue exhibits an increase on the year of \$155,648. The receipts of the first six months amounting to \$188,604, or an increase of \$39,112, and during the second six months to \$311,708, or an increase of \$116,476; the latter increase was not proportionate to the augmentation of duties under the legislation of the last session; a circumstance which may be explained by reference to the fact that the intention to levy higher duties was known considerably in advance of the legislative action, and that the manufacturers interested were, therefore, stimulated to produce largely prior to the imposition of the new duties. The item of ocean postage exhibits a diminution which may seem remarkable, without a word in explanation. The receipts from this source were only \$17,274 in 1862; a decrease which is mainly attributable to the nonpayment by the government of the United States of the sums due to the province for postal services rendered within the year. The difference should, perhaps, be set down as a payment deferred rather than an actual falling off. Apart from this item, the Post Office receipts advanced from \$357,015 to \$391,443, being an increase of \$34,427. Public works, again, yielded \$305,658, which, as compared with the receipts in 1861, shows an increase of \$37,573; the sums stated being exclusive of tolls refunded, amounting in 1862 to \$78,046. The territorial revenue declined from \$678,922 in 1861 to \$629,886 in 1862.

Turning to the expenditure side of the account, the inability of Government to effect sudden and very large reductions becomes apparent. Over the greater proportion of the expenditure, Ministers exercise little or no control. Speaking roundly, more than one half of the whole is in fulfilment of obligations already incurred. Other large amounts are expended in pursuance of engagements which cannot be summarily terminated. And yet another large expenditure takes place under annual grants of the Legislature, to which the Government of the day simply gives effect. Time and the substitution of a more wholesome system of financial management are required to bring about marked reductions in these branches of the expenditure.

What may justly be classed as administrative expenses amounted in 1862 to \$2,079,278, to which perhaps should be added \$1,326,732, expended under the head of collections. The charges against civil government advanced from \$437,285 in 1861 to \$486,620 in 1862. But the increase is susceptible of ready explanation. The operation of the Civil Service Act entailed an increase in the shape of arrears and additions to salaries exceeding \$21,000; very large amounts were paid at the commencement of the year for contingencies; and there are charges amounting to \$10,943, which formerly appeared under other heads. The penitentiary and prison expenses show an increase from \$148,046 to \$155,612; but of the latter sum, about \$10,000 are chargeable to the Reformatory at Penetanguishene, which, though established in 1861, did not come into full operation until 1862. Again, with regard to emigration and quarantine, it may be stated that items amounting altogether to \$5,227 relate to the European agencies, which, though paid in 1862, really belonged to 1861.

Under all the heads of expenditure which are subject to the control of the administration, the undersigned ventures to promise that the accounts of the year on which we have entered will show very gratifying changes. Many considerable reductions, effected near the close of 1862, are not visible in the expenditure as it now appears. Generally, it may be said, the measures of retrenchment which have been adopted had not time to develope their effects before the expiration of 1862. Not a few of them, indeed, are incomplete, being but parts of a system of economy the complete fruits of which are dependent upon investigations and arrangements yet in progress.

Not the least important of the changes which the undersigned hopes to see brought about in connexion with the reduction of administrative expenses is one that will give to Parliament the power of limiting the amounts expended by the heads of the several departments. At present these expenditures may be increased indefinitely, at the will of a Minister or a Government; for they are provided for out of the current revenues, which come into the Provincial Treasury only after deductions to which there is no recognized limit. The true system appears to be one that will bring into the Treasury the whole of the receipts, from whatsoever source derived, and that will confer upon Parliament the power, and impose upon it the duty, of determining specifically the sums that shall be expended under departmental authorization and supervision.

Reverting to the statement of the net expenditure and income, it is the duty of the undersigned to explain that the actual deficiency of the year was met as follows:—

Debentures issued	-	-	-	-	\$ 1,796,517
Investments realized	-	-	-	-	201,299
Changes in cash and bankers' balances	-	-	-	-	766,719
<hr/>					
					\$ 2,764,535

The amount which is shown to be due the London agents of the Province (\$2,254,258) was increased to the extent of \$876,000 by the payment on their part in 1862 of that amount, which was borrowed in 1861 from the City Bank of London.

Of the debentures issued, the sum of \$773,900 was in exchequer bills, negotiated in the Province; and \$1,446,860 were sterling debentures, issued in England.

The addition to the funded debt during the year amounted to \$1,940,929, and to the net debt, after deducting sinking fund, to \$1,773,954. The former now amounts to \$67,567,407, and the net debt, after the deduction indicated, to \$59,946,973.

The report of the Board of Audit shows that from 1856 to 1862 inclusive the increase in the funded debt was \$21,712,190. Within the same term the increase to the net funded debt was \$16,703,810, being an average yearly increase to the latter of \$2,387,258. It will be seen, there-

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fore, that the addition to the funded debt in 1862 was much less (viz. \$1,773,954) than the average yearly addition during the period over which the comparison extends.

The continuance of the civil war in the United States, with which Canada has such intimate and extended commercial relations, has necessarily operated prejudicially upon our finances during the year to which this report refers. A diminished demand for our staple products has produced a corresponding check upon the purchasing power of our people, and a corresponding loss to the principal sources of our revenue. These tendencies have been widened and strengthened by the derangement in the currency of our neighbours, creating, as it has done, irregularity and uncertainty in the various branches of industry and commerce, and bringing certain of them within very narrow compass. So long as these disturbing influences exist, we cannot anticipate an increase of our revenues to the extent which, under more auspicious circumstances, we might confidently expect.

Notwithstanding these unfavourable causes, however, the undersigned sees nothing in the general monetary and business position of the Province to warrant misgivings or despondency as to its future. The trade of the year has been contracted; but that is all. No crisis has occurred to jeopardise its progress. Although limited, it has been conducted on a sound basis, and is now in a healthy condition. The undersigned feels no apprehension, therefore, with regard to the willingness or the power of the Province to sustain just and well-considered measures for preserving public credit unimpaired, and for adjusting its income and expenditure on the only basis which is compatible with economy in administration and lasting prosperity in public affairs.

All of which is most respectfully submitted.

W.M. P. HOWLAND,
Minister of Finance.

Quebec, April 6, 1863.

EXTRACT FROM REPORT of the COMMISSIONER of PUBLIC WORKS for the Year 1862.

Inland Navigation.

In the possession of the River St. Lawrence, flowing for more than 600 miles entirely within their own border, the people of Canada have an invaluable inheritance well worthy of their provident care and attention, and of the large public expenditure heretofore so liberally bestowed upon its improvement.

The clear waters of this great river drain an extent of country larger than France, a country which, for the salubrity of its climate and the fertility of its soil, has been classed amongst some of the most favoured portions of the world. The great inland lakes, of which this river forms the natural outlet to the ocean, alone exceed in extent the area of Great Britain, and comprehend more than half the fresh water of the globe.

The coast line of these great lakes and of the River St. Lawrence, which by the enterprise of the people of this Province has been opened to the navigation of vessels of 400 tons burden, at a cost of upwards of 14,000,000 of dollars, measures 5,600 miles in extent, about one half of which is American, fronting upon eight of the Northern States of the Union, and the other half Canadian territory.

It was naturally expected that upon the opening of this channel to the ocean for so vast an extent of inland navigation, by means of the Welland and St. Lawrence Canals, the geographical position and commercial advantages of the route would be so great as to draw through it the Western trade, and that the tolls to be collected on this trade would not only pay the interest upon the cost of the improvements, but also afford a permanent and legitimate source of revenue to the Province, and that as trade increased the large amount of these tolls would admit of a gradual and corresponding reduction in the customs duties, thereby promoting the general interests of commerce and the material welfare and prosperity of the country.

In the early settlement of the Province, and indeed until the opening of the Erie Canal in 1825, the trade of the country bordering upon the river and the upper lakes found its way to the sea by Montreal and Quebec. But upon the opening of that canal the products of the West were at once diverted to the other side of the boundary line, and taken to New York; and, notwithstanding the noble efforts which have since been made by Canada to regain a fair share of this trade, by the construction of canals of more than double the tonnage capacity of the Erie Canal, and by the formation of a more direct and cheaper channel of inland navigation, still, such has been the commanding influence of that great commercial metropolis in drawing trade to itself, and in keeping down the price of ocean transport, that these efforts, though not fruitless, have not been so successful as at first anticipated.

A vast stream of traffic has been diverted from the St. Lawrence, and continues to flow through the Erie Canal, with augmented volume, notwithstanding the railway competition it had to encounter in later years. In 1861 the bulk of property transported both ways upon it amounted to upwards of 4½ millions of tons, of the value of 130,000,000 of dollars, and yielding to the state in tolls a revenue of nearly 4,000,000 dollars.

The St. Lawrence route, on the other hand, was not fully opened until 1847, and the returns during a series of years show that, with considerable fluctuations and reactions, the traffic has gradually increased, though not in so marked a degree as might reasonably have been expected. The bulk of property transported both ways through these canals amounted in 1861 to 1,020,483 tons through the Welland, and 886,908 tons through the St. Lawrence; and the revenue which would have been derived that year from this traffic had the usual tolls of former years been imposed would have amounted to \$392,289; scarcely more than a tithe of that collected the same year upon the Erie Canal.

Such, by way of comparison, have been the results so far of the two rival routes for the Western trade.

The vast importance of this trade is shown, not only by its present volume, but by the fact of its rapid increase from year to year, as fully made known by the investigations instituted under the authority of the Commissioners of this department in 1840. Taking a period of 10 years on the Erie Canal, and of three years on the Welland Canal, previous to 1849, before railways came into competition, it was found that the actual tonnage of property which passed through these routes from the West increased at the average rate of 20 per cent. per annum. (See the Commissioners' Report for 1849.)

Upon this ratio certain estimates for the future were ventured upon; but the introduction of railways at first, and the taking off of the tolls more recently, and still later the closing of the Mississippi, have proved the impossibility of making any reliable calculations in reference to this trade, when extended over so long a period.

With a view of regaining the Western trade, the Provincial Government, by an order in Council dated 28th May 1860, but taking effect the 19th of the same month, abolished the tolls on the Provincial Canals, under certain regulations, "in furtherance of the views and policy expressed upon that subject during the recent session of the Provincial Parliament." The conditions of these regulations were, that vessels passing through the Welland Canal should continue to pay tolls according to existing tariffs, but that 90 per cent. of the tolls so paid should be refunded whenever such vessel entered the St. Lawrence Canals, or reported inwards at any Canadian Port on Lake Ontario or on the River St. Lawrence; and, vice versa, vessels and their cargoes coming up through the St. Lawrence Canals, or hailing from any Canadian Port, and passing upwards through the Welland Canal, paid only 10 per cent. of the toll established on that canal. The St. Lawrence Canals, however, were made unconditionally free from tolls.

This measure was looked upon at the time as conferring a great boon upon the trade, and it was considered that this generous policy would have the effect of diverting through Canada a much larger share of the products of the West; while the incidental advantages to be derived from the securing of this trade, and the increase of revenue from customs duties, would more than compensate for the loss of revenue from tolls, which was then estimated at from \$110,000 to \$115,000 at the outside. (See Mirror of Parliament, 11th May 1860.)

This expedient has now been tried for three years; a period of sufficient length, it might be supposed, to warrant an examination into its effect. Has it in reality increased the trade of the St. Lawrence in any material degree?

In proceeding to the consideration of this great and vitally important question, it is necessary, in the first place, to advert to the tariff of tolls heretofore established on the provincial canals; and in doing so it may be well to show from official returns what is the actual cost to the Province of passing a vessel through these canals. Assuming the trade of 1861 for a basis of calculation, it is found by allowing interest at six per cent. on the amount expended in their construction, and adding the outlay for repairs and management for that year, that it has cost \$72·80 to pass a vessel through the Welland and \$45·06 through the St. Lawrence Canals, and if she passed through both the cost was \$117·86. If no tolls are collected, this expense is borne by the people of this Province.

Otherwise, if the cost is calculated on the tonnage of property which passed through the canals that year, it will amount to 48 cents per ton on the Welland and 56 cents per ton on the St. Lawrence Canals, and \$1·04 per ton for both.

In order to meet this expense, the tolls established for purposes of revenue in 1850 upon the principal articles of commerce were at the rate of 60 cents per ton on the Welland and 37½ cents on the St. Lawrence Canals; but these rates were afterwards reduced, as shown by the table at page 9, until in 1859 they stood at 20 cents per ton on the Welland and 22 cents per ton on the St. Lawrence Canals.

The tariff was regulated by the Government from time to time upon the reports of the Commissioners of this department.

Before submitting these Reports, it was usual to consult the parties directly concerned in the trade, who were considered best qualified to advise concerning its interests.

In this way the tariffs have been several times reduced, until they were ultimately fixed at so low a rate as to afford no real ground for complaint. They certainly could not be nor were they complained of as a burden upon the trade.

Taking the great staple articles of export, wheat and flour, it may be remarked that the toll in 1859 upon a bushel of wheat was only $\frac{1}{10}$ of a cent, and upon a barrel of flour only 2·16 cents through the Welland Canal, and 0·66 cents per bushel and 2·376 cents per barrel on the St. Lawrence canals. These rates collectively are about one quarter of the present established rates on the Erie Canal; in point of fact they were too light to influence the current of trade one way or the other.

In proof of this it is only necessary to look at the evidence of the three years' experience during which these tolls have been abolished on the provincial canals, while at the same time the former rates on the Erie Canal have been continued or raised.

Leaving out of view the business done by the railways, and confining the attention to the great rival water communications between the Lake Erie and tide-water, but bearing in mind what has already been stated, that the ratio of increase of the Western trade as measured by the traffic on both routes up to the year 1850, before railway competition began to affect it, was 20 per cent. per annum, it may now be seen what the actual progress has been since that period upon each of these rival routes. The following comparative statement, made up from official returns, gives the total amount of all kinds of property which has passed through the Erie, the Welland, and the St. Lawrence

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canals every year for a period of 13 years, from 1850 to 1862 inclusive, the gross revenue collected, and the average tariff of tolls established on each canal each year during this period.

Years.	Erie Canal.		The St. Lawrence Route.				Total Tolls by St. Lawrence Route.	Average Tariff of Tolls in each Year.		
			Welland Canal.		St. Lawrence Canals.			Erie Canal.	Welland Canal.	St. Lawrence Canals.
	Tons.	Tolls.	Tons.	Tolls.	Tons.	Tolls.		Up.	Down.	Up and Down.
1850	-	-	3,076,617	3,273,899	399,600	151,704	288,103	81,872	233,576	8 cts. 4 80
1851	-	-	3,582,733	3,329,727	691,628	201,841	450,401	91,252	293,093	2 cts. 4 40
1852	-	-	3,863,441	3,118,244	743,060	233,094	492,575	88,077	321,171	2 cts. 2 92
1853	-	-	4,247,852	3,204,718	905,516	269,916	561,601	102,411	372,327	2 cts. 2 92
1854	-	-	4,165,862	2,773,566	767,210	208,304	639,000	110,110	318,414	2 cts. 2 92
1855	-	-	4,022,617	2,805,077	849,333	223,747	541,254	74,493	298,240	2 cts. 2 92
1856	-	-	4,116,082	2,748,203	976,556	272,050	634,536	85,535	357,585	2 cts. 2 92
1857	-	-	3,344,061	2,045,641	901,072	239,603	593,652	71,468	311,071	2 cts. 2 92
1858	-	-	3,665,192	2,110,754	855,112	222,377	605,558	104,273	326,650	1 cts. 1 46
1859	-	-	3,781,684	1,723,945	709,611	139,443	911,768	72,906	212,348	0 70 1 41
1860	-	-	4,650,214	3,009,597	944,084	194,673	733,596	90,758	285,438*	1 cts. 1 40
1861	-	-	4,507,635	3,908,785	1,020,483	241,768	886,908	151,061	352,829*	1 cts. 1 76
1862	-	-	5,598,785	5,188,943	1,152,082	292,694	756,870	146,954	439,648*	1 cts. 1 70

* These are the amounts, including water rents, fines, &c., that would have been realized if tolls had been collected, as in 1859. The amount refunded or free by Order in Council, 28th May 1860, on all the provincial canals, was—

For 1860	-	-	-	8127,340·63
1861	-	-	-	233,863·27
1862	-	-	-	284,841·08
Total	-	-	-	8646,044·98

It is evident from a mere inspection of this table that none of these canals have, since 1850, preserved their former rates of increase up to that time. It is considered that the fluctuations in these returns must, in a great measure, be attributed to the effect of railway competition.

Taking first the decade from 1850 to 1859 inclusive, during which tolls were imposed on both lines, though the same policy of making periodical reductions in the tariff characterized both, it may be observed in regard to—

1. THE ERIE CANAL.

The maximum of tonnage was reached on this canal in 1853, i.e., 4,247,852 tons, while the maximum of tolls received was reached in 1851, \$3,329,727. The tariff of tolls was lowest in 1859, and yet the trade that year had fallen off to 3,784,684 tons, and \$1,723,945 tolls; showing conclusively that the reduction of the tariff did not augment the traffic on the canal.

2. THE WELLAND CANAL.

The maximum of both tonnage and tolls was reached in 1856, 976,556 tons, and \$272,050 tolls. The tariff on this canal was also lowest in 1859, and still the trade that year had fallen off to 709,611 tons, and \$139,443 tolls.

3. THE ST. LAWRENCE CANALS.

The maximum of tonnage was reached when the tariff was lowest, in 1859, i.e., 911,768 tons; but the maximum of tolls was, in 1854, \$110,110.

From other official returns showing the course of trade through the provincial canals, it will be seen that in this period of ten years the purely American portion of it (i.e. "from American to American ports") which passed through the Welland Canal averaged 51 per cent. of the whole, and the purely Canadian, through the St. Lawrence Canals ("from Canadian to Canadian ports"), was 96 per cent. of the gross tonnage.

Taking next the three years since 1859 in which tolls have been abolished on the provincial canals, while they have been doubled on the up freight of the Erie Canal in 1860, and increased 25 per cent. on the down freight in 1861, the most remarkable increase is found in the business of that canal which persists in collecting tolls. In 1862 it had reached the enormous amount of 5,598,785 tons, and \$5,188,943 tolls; showing an increase of 32 per cent. on tonnage, and 56 per cent. on tolls, over the maximum of the former period.

On the other hand, the business on the provincial canals in 1862 amounted only to 1,152,082 tons on the Welland Canal, and 756,870 tons on the St. Lawrence Canals; showing an increase of only 18 per cent. of tonnage on the Welland, and a falling off of 17 per cent. on the St. Lawrence Canals, from the maximum of the former period. In these three years the official returns show that the American portion of the trade through the Welland, to and from Oswego and Ogdensburg, had increased to 58 per cent. of the gross tonnage, while the Canadian, through the St. Lawrence, remained at 91 per cent. of the gross tonnage on the canal,—the same as the average of the previous ten years.

In view of these statements it cannot be assumed that the abolition of the tolls on the provincial canals has diverted any business from the Erie Canal. On the contrary, it has continued to increase on that canal in a very remarkable manner, notwithstanding the very opposite policy pursued in its management; while, on the other hand, the business on the provincial canals in the third year of trial has not only failed to reach the same proportional increase, but has actually fallen off on the St. Lawrence, where, from the trade being more especially Canadian, a different result should have been produced, if exemption from tolls could have any influence in diverting the American trade into the same channel.

In the attempt to divert trade by reducing tolls we have the experience on the Erie Canal, preceding that of our own by about ten years. The result of this attempt is made known in the annual report of the Auditor of the Canal Department of the State of New York to the Legislature of that State, for the year 1861. In this report he says: "The reduction which took effect upon the business of 1846 was the result of an arrangement between the authorities of this state, Pennsylvania, and Ohio, after the completion of the canals in those states. The bonus paid in 1851 for the competition in the canal trade, which has since been actively and successfully carried on, not for the benefit of trade within our own state, not to promote or develop a single interest within our borders, or to alleviate the burthens of our people, and the consequent effort in 1852, to retain trade by a further reduction of tolls, are remarkable exhibitions of a mistaken policy, and of unwise and inconsiderate legislation." * * * * "In another portion of the report the Auditor will show by facts and figures that although the state has lost revenue by the reduction in rates, it has not retained or secured a ton of traffic to the canal in consequence of that reduction."

It is respectfully submitted whether these facts and statements do not show that the course of the internal trade is wholly uninfluenced by the imposition of tolls, so long as they are confined within the limits which have been charged on either of these routes for the last ten years; and, if this be admitted, whether it is not governed by other general laws, the same laws, in fact, as regulate both the internal and external trade; those of production and consumption, or of supply and demand.

If, then, it has been found impossible by this means to force the Western trade into a channel leading only to a second-rate market on this continent, where it is met by ocean freights which at once neutralize the superior advantages of our inland transport, it would appear to be a matter for consideration whether, in the present state of the public finances, it is expedient any longer to tax the Province for the benefit of this trade; or whether that which naturally seeks this channel, and must continue to increase with the growth and population of the country, should not be rendered immediately productive by the re-imposition of tolls.

The revenue which would be derived from the re-imposition of tolls would suffice in the course of a few years to make some of the important improvements in the navigation which have been in contemplation for many years past, and have only been postponed from financial considerations. Amongst the most essential of these contemplated improvements is the enlargement of the locks and the deepening of the channel of the St. Lawrence Canals.

In the general report of the Commissioner of this department for 1861, much pains was taken to furnish a correct and detailed description of the several provincial canals, showing their condition, dimensions, capacity, and present requirements; and with respect to the main channel of communication between the great lakes and the Atlantic, attention was drawn pointedly to the fact, that while the locks of the Welland Canal were smaller than those of the St. Lawrence, and could not therefore pass vessels of half the tonnage capacity of the latter, still the draught of water through the Welland was one foot greater than through the St. Lawrence, and consequently vessels which could pass through the former, drawing ten feet of water and laden with 400 tons of freight, actually could not, without being lightened one foot, equivalent to 100 tons of cargo, descend the St. Lawrence.

This anomalous condition of the navigation has for years proved a serious drawback to the trade of the St. Lawrence, so much so as frequently to induce transhipment at Kingston; and several river barges of large tonnage are being built this year, expressly with the view of carrying on this branch of the trade.

This transhipment can only be obviated by establishing a uniform scale of navigation throughout, the immediate adoption of which is urgently demanded by the rapid increase of the Western trade, and becomes the more pressing from the periodical fluctuation of the waters of Lake Ontario and the river, which are now approaching their lowest levels.

The entrances to the Williamsburg and Cornwall Canals, especially, do not afford a sufficient volume of water for the satisfactory working of them during these low periods, unless the guard-gates are left entirely open, which greatly endangers the safety of the works.

Besides which, the continuance of strong easterly winds at such times, by retaining the water in Lake Ontario, lowers the river surface so much as to prevent the proper depth being maintained in these canals.

From the great natural advantages presented by the St. Lawrence as an outlet to sea for the products of the Western States, it is believed that the trade from these states through Canada must continue to increase.

It is, however, of paramount importance to foster its growth by affording every accommodation to vessels engaged in it, so that the route may be rendered thoroughly efficient, and may ultimately become as firmly established and well known as other leading commercial lines on this continent, which have hitherto proved formidable rivals for the carrying trade of North-western produce, and have thus prevented the full realization of the object for which the canals were mainly constructed.

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These competing routes, from their connexion with the great commercial centres of New York and other Northern States (whose interests are closely allied to their success), must always attract a large portion of the trade. Nevertheless, it is believed that the present time is favourable for taking steps to fix a permanent line of traffic by way of the St. Lawrence; and, were this effected, means would, no doubt, ultimately accrue from the tolls by which the expenditure necessary for its full development would be defrayed.

With this important object in view, it is deemed necessary to again bring this subject prominently before your Excellency.

The chief engineer, in 1859, estimated the cost of deepening the St. Lawrence Canals to 10½ feet depth of water on the mitre-sills of the locks at \$1,028,000. This does not, however, contemplate a lengthening of the locks, which it would be desirable to undertake at the same time.

REPORT.

State of the Volunteer Force.

On the 3d May 1862, the Deputies Adjutant General reported, for the information of the House of Assembly, that there were then organized in the Province 13,390 volunteers. Of these 29 companies were reported by Lieut.-Colonel Wily, after his tour of inspection, as having failed in their organization, and were disbanded. These 29 companies represented 1,450 volunteers, leaving as efficient at that date, 11,940. Since then companies representing 13,070 volunteers have been organized in different sections of the Province, making in all, up to this date, a total of 25,010.

Taking population as a basis, these volunteer corps are distributed as follows:—

Population all Canada (census 1861),	2,506,752 ;	present volunteer force,	25,010 ; or say 10 volunteers for each 1,000 inhabitants.
Population—Lower Canada—	1,110,664	Volunteers	10,230 ; or say 9½ for each 1,000.
" Upper Canada—	1,396,088	"	14,780 ; or say 11½ for each 1,000.
	<hr/> 2,506,752		<hr/> 25,010

Population all Canada, showing proportion of volunteers in cities and counties:—

Cities	257,273	Volunteers	8,525 ; or say 33 for each 1,000.
Rural	2,249,479	"	16,485 ; or say 7½ for each 1,000.
	<hr/> 2,506,752		<hr/> 25,010

Population of cities:—

Lower Canada	153,389	Volunteers	5,500 ; or say 36 for each 1,000.
Upper Canada	103,884	"	3,025 ; or say 29 for each 1,000.
	<hr/> 257,273		<hr/> 8,525

Population of rural parts:—

Lower Canada	957,275	Volunteers	4,730 ; or say 5 for each 1,000.
Upper Canada	1,292,204	"	11,755 ; or say 9 for each 1,000.
	<hr/> 2,249,479		<hr/> 16,485

It will thus be seen that in the cities of Canada, those in the upper section of the Province contribute less, in proportion to their population, than do those in the lower section; while in the rural parts, Upper Canada contributes a larger number for each 1,000 inhabitants than does Lower Canada.

The volunteering, thus far, has been the free-will offering of the people, and it is gratifying to observe that in the counties of Upper Canada, with the exception of three, nearly every one has furnished its quota of the 25,000 now organized, while in many instances they are considerably beyond the proportionate number.

In Lower Canada, until of late, volunteer corps have been chiefly organized in the cities, but within the last six months a considerable number of volunteers have been organized in the rural parts, and now evidences are not wanting that ere long applications will be received at this department for permission to increase this number considerably.

The present volunteer force comprises field batteries, troops of cavalry, foot companies of artillery, engineer companies, rifle companies, companies of infantry, and naval and marine companies, and is divided properly into three classes, viz. class A. and two divisions of class B.

Corps in class A. are those who have furnished their own uniforms, and who have been paid \$6·00, for each man uniformed, for 12 days drill performed in 1862.

First corps in class B. who have furnished their own uniforms, and who have been paid \$6·00 in lieu of clothing, after 12 days drill performed in 1862.

Second corps in class B. who have been organized upon the understanding that they receive no pay for the 12 days drill, but that the Government will provide them with uniforms and drill instruction.

Of the corps in class A., 6 field batteries, 11 troops of cavalry, 2 companies of foot artillery, and 33 rifle companies have certified to the performance of 12 days drill, in accordance with the general order of the 4th November last, and have received from the Government \$22,672 therefor.

Of the corps in class B., 3 troops of cavalry, 8 foot companies of artillery, 2 engineer corps, 49 rifle companies, 15 companies of infantry, and one naval company have certified to the performance of

12 days drill, in accordance with the general order of the 4th November last, and have received from CANADA. — the Government \$20,952 therefor.

Military Districts.

The Province being divided into 21 military districts, or say Lower Canada 11 and Upper Canada 10, the volunteers in each district are under the immediate supervision of the Brigade Major, who has been appointed in accordance with the amended Militia Act of 1862, and whose duties are described as follows, in a general order which was issued by this department on the 17th November last :—

1. The Brigade Major of each district will superintend the drill and instruction of all volunteer companies within his district, furnishing monthly reports thereof to the Adjutant General's department, as to their state of discipline and efficiency, and average attendance at drill.

2. He will inspect, not less than once a quarter, and as often as he may be directed, the arms, accoutrements, great coats, and other stores issued to each company within his district, and forward to the Adjutant General's department quarterly returns thereof, or special reports, when required, as to their general state, and deficiencies when such occur.

3. The drill instructors in each district will be placed under his sole control. He will distribute them through the districts, and detail them for their respective duties as occasion may require.

4. He will be required to organize drill associations amongst the officers and non-commissioned officers of each battalion of sedentary militia within his district, with a view to their acquiring such a knowledge of and proficiency in their drill and military duties as will enable them to impart, as occasion may require, the knowledge thus obtained to those under their command. This branch of his duty will also include the control and supervision of the organizations for drill contemplated by the 11th clause of the amended Militia Act of last session.

5. It will further be his duty to secure the enrolment of such quota as may be ordered from time to time among first-class service men within his district, first into companies, and whenever practicable next into battalions, under officers qualified to command them.

6. He will further be subject to such orders and regulations as the Commander-in-Chief may see fit from time to time to issue for his guidance and instruction. He will report direct to head quarters, and be the channel of all communications therewith in each military district, for the militia, both sedentary and active.

Since the appointment of these active officers in each district, much has been done in the organization of the militia, into companies of volunteers and drill associations, but as yet a sufficient length of time has not elapsed to fully develop the new system, but judging from the results since the appointment of these brigade majors, the department has every reason to believe that as regards organization and drill in the several districts this branch of the militia staff has been decidedly successful.

Drill Instructors.

In August last the 46 drill instructors, who were sent to this country by the Imperial Government, were detailed for service in the different districts, and the following scale of daily pay was adopted; that is to say :—

	Cavalry.	Line.
Sergeant Major	\$1.50	\$1.37½
Troop Sergeant Major	1.37½	—
Color Sergeant	—	1.30
Sergeant	1.12½	1.00

The services of the instructors have been of great benefit and assistance to the newly organized corps. Since 1st of January, in order to meet the requirements of the increased number of volunteers in all parts of the country, arrangements have been made with the Imperial authorities to furnish 28 additional sergeants for employment in the chief cities, and 40 for employment in the rural districts of the Province, for which service the sergeants employed in the cities are to receive 40 cents per day, and those in the rural parts the same rates which were agreed upon for those who were originally sent from England for this service. The whole of these instructors, together with eight volunteers, are actively engaged in drilling the militia of the Province.

Arms.

All the corps organized since August last are armed, or are in course of being armed, with the Enfield Rifle. We annex hereto a list (marked No. 2.) of the different corps in whose favour requisitions for arms have already been issued upon the Imperial authorities at Montreal, under the provisions of the Circular of the Duke of Newcastle, under date of 14th May last.

Great Coats.

To all organizations of volunteers great coats have been issued, similar to those worn by the troops of the line.

Bugles and Trumpets.

In October last 200 bugles and trumpets were procured, and, since then, distributed amongst the different companies of volunteers.

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Drill Books.

One copy of the pocket edition of the authorized book of field exercise and evolutions **of** infantry has been furnished to each officer of the volunteer force.

Sedentary Militia.

We append hereto the annual returns of the sedentary militia for the two sections of the Province, the distribution of which force may be known by an examination of the following abstract from the returns:—

Military Districts, Lower Canada	-	-	-	-	-	11
" Upper "	-	-	-	-	-	10
		Total	-	-	-	<u>21</u>

Battalions:

Organized and annual returns received, Lower Canada	-	-	-	145	
" Upper "	-	-	-	263	
Organized and annual returns not received, Lower Canada	-	-	-	49	
" Upper "	-	-	-	36	
Not organized, Lower Canada "	-	-	-	3	
" Upper "	-	-	-	2	
		Total Battalions	-	-	<u>468</u>

Staff Military Districts, Lower Canada	-	-	-	34
" Upper "	-	-	-	34
				<u>68</u>

Battalion Officers, Lower Canada	-	-	-	4,482
" Upper "	-	-	-	7,242
				<u>11,724</u>

Sergeants, Lower Canada	-	-	-	3,529
" Upper "	-	-	-	4,808
				<u>8,337</u>

First-Class Service Men, Lower Canada	-	-	-	33,630
" Upper "	-	-	-	63,393

Second-Class Service Men, Lower Canada	-	-	-	58,213
" Upper "	-	-	-	83,758

Reserve Men, Lower Canada	-	-	-	20,105
" Upper "	-	-	-	25,917
				<u>46,022</u>

Total rank and file, Lower Canada	-	-	-	111,948
" Upper "	-	-	-	173,068

Total of all ranks, Lower Canada	-	-	-	119,993
" Upper "	-	-	-	185,152
				<u>305,145</u>

The total number of militia men, of all ranks, in Lower Canada, is
estimated at - - - - - 190,000

The total number of militia men, of all ranks, in Upper Canada, is
estimated at - - - - - 280,000

Total - - - - - 470,000

Drill Associations.

Under the provisions of the 11th section of the amended Militia Law, 76 drill associations, composed of the officers and non-commissioned officers of the sedentary militia, have been organized as follows: say, Lower Canada, 34; Upper Canada, 42; all of which will be supplied with arms and instruction for purposes of drill. Judging from the number of rolls reaching the department daily, it is fair to presume that during the next three months the total number of these associations will be considerably increased.

Drill Books.

By arrangement with the Imperial authorities, 2,000 copies of the pocket edition of the authorized book of field exercise and evolutions of infantry have been procured by this department, and sold to officers of the sedentary militia, at cost. The rapidity with which orders reached the department for

these books, after they were procured, is an evidence that the officers of the militia are taking an active interest in the present volunteer movement. CANADA.

All of which is respectfully submitted for your Excellency's consideration.

A. DE SALABERRY, Lt.-Colonel.
Dep. Adjt. Genl. Militia, L. C.
WALKER POWELL, Lt.-Colonel.
Dep. Adjt. Genl. Militia, U. C.

Adjutant General's Office,
Quebec, February 10, 1863.
To his Excellency the Governor General,
&c., &c., &c.
Quebec.

NOVA SCOTIA.

No. 2.

NOVA
SCOTIA.

No. 2.

COPY of a DESPATCH from the OFFICER ADMINISTERING the GOVERNMENT to his Grace the Duke of NEWCASTLE, K.G.

(No. 88.)
MY LORD DUKE,

Government House, Halifax, Nova Scotia,
October 15, 1863.

I HAVE the honour herewith to transmit to your Grace the Blue Book of this Colony for the year 1862. I trust that the fact of my only temporarily administering the Government during the absence of the Marquis of Normanby will be a sufficient excuse for my not offering any remarks thereon.

I have, &c.

His Grace the Duke of Newcastle, K.G. (Signed) HASTINGS DOYLE.
&c. &c. &c.

NEW BRUNSWICK.

No. 3.

NEW
BRUNSWICK.

No. 3.

COPY of a DESPATCH from the Honourable ARTHUR GORDON to his Grace the Duke of Newcastle, K.G.

(No. 9.)
MY LORD DUKE,

Fredericton, February 1, 1864.

I HAVE the honour to forward to your Grace the Report transmitting the Blue Book for the year 1862.

I have, &c.

His Grace the Duke of Newcastle, K.G. (Signed) ARTHUR H. GORDON.

REPORT to accompany the Blue Book for 1862.

General Condition of the Province.

The commencement of the year 1862 brought with it a relief from the feelings of gloom and anxiety which had darkened the close of 1861, for on the last day of the old year the news of the intention of the Government of the United States to release Messrs. Slidell and Mason was received at St. John, and speedily circulated through the Province. But though the apprehensions of war were thus removed, much remained to be done for the comfortable reception of the troops despatched by Her Majesty's Government to North America, when hostilities appeared imminent, and to facilitate their safe and speedy transmission to Canada.

2. At St. John, temporary barracks for over 2,000 were provided and fitted up by the provincial authorities before the arrival of the force, and the greatest alacrity and heartiness were everywhere displayed by the people at large in welcoming Her Majesty's troops to the Province. The whole operation of moving above 6,000 men through New Brunswick in the depth of winter was most successfully accomplished, with hardly a

**NEW
BRUNSWICK.** casualty, and without exposing either officers or men to any real discomfort or inconvenience.

3. On the 12th February I opened the first session of a new Parliament, a general election having taken place in the summer of 1861, in consequence of the full term of four terms, to which the existence of the Provincial Parliament is limited, having nearly expired.

4. On the 23d April I closed the session, the proceedings of which had not been of a nature to attract much general interest. Although the list of Acts passed was a large one, they were almost exclusively of a purely local character. The most important perhaps was that for reorganizing the militia of the Province, and giving for the first time a legislative recognition to the volunteer force.

5. From the termination of the session to the end of the year few events marked the quiet and even tenour of public business. In the summer the new silver coinage on the decimal system was received and put into circulation. Early in September a meeting took place at Quebec between the Governor General of Canada, the Lieut.-Governor of Nova Scotia, and the Lieut.-Governor of this Province, and members of their respective Governments, at which an agreement was entered into with reference to the construction of an intercolonial railroad, and the acceptance of the aid offered towards the completion of that work by Her Majesty's Government. In consequence of a difference of opinion with his colleagues on this question, the Attorney General, Honourable A. Smith, resigned his office and seat in the Executive Council. I nominated as his successor the Honourable J. M. Johnson, Speaker of the House of Assembly.

6. Towards the close of the month of October a serious disturbance of the public peace was anticipated in the neighbourhood of the town of Woodstock, in consequence of the attitude assumed by a large body of railway navigators, whose pay had, for a lengthened period, been withheld from them by their employers. I thought it right to repair to Woodstock, and am happy to state that, owing to the measures adopted, tranquillity was preserved without any outbreak of violence, and without the necessity of any resort to force.

Revenue and Expenditure.

7. The revenue displayed some improvement, and symptoms of recovery from the falling off shown in 1861, caused to a great extent by the outbreak of the war in the United States, the amount collected in 1862 being 148,960*l.* sterling, as against 145,594*l.* sterling in 1861. I am happy to be able to report that this improvement has continued in a greatly increased ratio during the year just expired, and that from precisely the same sources the revenue collected in 1863 has amounted to no less than 176,000*l.* sterling, being an increase over that of 1862 of over 27,000*l.*

8. The expenditure of 1862 amounted to 166,766*l.* sterling; that of 1861 had been 176,051*l.* sterling. The expenditure for 1863 will be considerably within the income of the year.

Trade and Navigation.

9. The total value of imports at all the ports in the Province in 1862 was 1,291,604*l.* sterling; the total value of exports was 803,445*l.* sterling; making an excess of imports over exports of 488,159*l.* sterling. This would at first sight appear a somewhat unsatisfactory statement, but several facts must be taken into consideration which a good deal qualify its significance. All the outfits, fastenings, and ground tackle for new ships appear as imports, and pay duty accordingly, while the new ships themselves (and the value of those built in 1862 exceeded 450,000*l.* sterling) do not appear as exports. Again, nearly all the imports into the Province are entered at their proper value, whilst a large amount of what are in truth exports from New Brunswick are shipped on the American side of the River St. Croix and Canadian side of the River Restigouche, to avoid export duty, whilst many of the supplies for the upper part of the state of Maine are imported through New Brunswick, and do not appear as exports, not being liable to duty as such. There are also other reasons with which it is needless at present to trouble your Grace.

10. There were registered at the port of St. John in 1862 48 new vessels measuring 25,493 tons register, besides 13 new vessels measuring 12,808 tons, which were built for owners in the United Kingdom, and were not registered here, but sailed to England under passes from me. The total number and tonnage of new vessels registered at all the ports of New Brunswick in 1862 was 90 vessels, 48,719 tons register, all of which, with a single exception, were built in the Province. Many of these vessels were of very large dimensions and superior quality, classed as seven years A 1 at Lloyd's. During

the year just expired (1863) the activity in shipyards has increased to an extraordinary degree, and shows no present symptoms of slackening. In connexion with this subject, I may state that the stock of deals on hand at St. John at the beginning of 1862 was estimated at 70,000,000 feet, and at all the ports in the Province 160,000,000. The stock of pine timber on hand at St. John was estimated at 16,000 tons.

NEW
BRUNSWICK.

* *Public Works.*

11. The sum of \$91,558 was expended on public works in the year 1862, being an amount somewhat less than that devoted to the same purpose in the previous year. Of this sum \$53,529 were devoted to the maintenance and improvement of the great roads and bridges. Of these great roads, made and kept in repair at the public expense, there are 58, covering about 2,200 miles. There are few of these over which I have not travelled, and, though cheaply made, their condition is generally such as to merit admiration. The chief defect is in the culverts, which are seldom repaired with sufficient frequency, and the decay of which produces very inconvenient depressions, if not dangerous holes, in the roadway. The by-roads which open into these highways are, as might naturally be expected, in every various stage of goodness, from the neatly gravelled road of equal smoothness and durability with the great lines of communication to the rough track barely passable by the rudest vehicle.

12. Three large bridges were built at the public expense during the year 1862; that over Coal Creek has a length of 660 feet.

13. A considerable sum was devoted to the improvement of the internal navigation, and towards subsidizing a line of steamers for intercolonial communication between this Province, Prince Edward Island, Nova Scotia, and Canada.

* *Crown Lands.*

14. 2,030 applications for land were received at the Crown Land Office in 1862, of which 752 were for land to be sold by auction, and the remaining 1,278 were applications under the Labour Act.

15. It is not possible to state with perfect accuracy what quantity of land was required by each class of applicants, because many of the lots were then and still are unsurveyed, and the contents of such lots, though inserted in the applications, were merely conjectural; but assuming an average of 100 acres for each petition (which is probably much below the mark, few being for a less amount, many of the auction petitions containing a much larger quantity), the applications would represent an aggregate of 203,000 acres.

16. Three tracts of land for actual settlement, one of 7,000 acres on the river Nashwaak, and two of 9,400 and 6,500 acres respectively, in the county of Carleton, were surveyed by order of the Government in the course of 1862, and a large number of lots in each tract have already been applied for and located.

17. Some efforts were made during 1862 to check abuses to which the facilities afforded by the Labour Acts had given rise. There is, however, ample scope left for future exertions in this direction.

18. The number of licences to cut timber issued in 1862 was 764. Considering the vast quantities of timber cut, I am by no means satisfied with the amount of revenue derived from this source, and which was under \$1,900. Great difficulties attend any considerable alteration in the existing system, but the time cannot be far distant when changes demanded by the public interest will be effected, with good results.

19. Pending the settlement of the railway negotiations, I have, by an Order in Council, suspended the sale of Crown Lands, except for actual settlement. This measure was rendered necessary by the proceedings of certain speculators, who bought and locked up from settlement large tracts of land, in hope of an ultimate rise in their value.

* *Education.*

20. The provincial expenditure on account of education amounted in 1862 to \$41,507, and the local contributions for the support of schools to \$106,524.

21. The schools in operation amounted to 823, and the teachers employed to 831. Out of 823 schools, 12 are grammar schools, one of these being situated in each county, and 23 what are termed superior schools, where instruction is given in the classics and other higher branches of education. The number of children attending these schools is

* It must be borne in mind that under those heads to which an asterisk is prefixed the year is calculated, not from the 1st January to the 31st December, but from the 1st November to 31st October, the provincial financial year.

**NEW
BRUNSWICK.** estimated at about 29,000. 68 new school-houses, many of them handsome buildings, were erected in the year 1862.

22. The University of New Brunswick, which had at one time sunk to a position from which it appeared almost hopeless to expect it ever to emerge, has, under the able management of the present Principal, Dr. Brydone Jack, entirely recovered the efficiency which it had lost, and is now in a condition which must cause the liveliest satisfaction to all friends of sound education. During 1862 there were 49 resident undergraduate students at the University; the largest number, I believe, it has ever had within its walls; and 97 pupils in the collegiate school.

23. There are various flourishing academies in the Province of a denominational character, independent of the Government, in which education is afforded on a more or less ambitious scale.

24. The year 1862 has on the whole been one of progress, and although the effects of the war on this continent are undoubtedly still felt severely, prosperity has revived more rapidly than could have been anticipated. Agricultural occupations were attended with abundant success, and I may safely conclude with the expression of my belief that the Province at large is thriving and contented.

I have unfortunately too long delayed the transmission of this Report, and now am unable to devote to its preparation that time and care which its subject demands. Generally, however, the statements I have made will be found sufficient to explain and illustrate the details furnished by the provincial Blue Book.

Fredericton,
January 30, 1864.

ARTHUR H. GORDON.

PRINCE
EDWARD
ISLAND.

No. 4.

PRINCE EDWARD ISLAND.

No. 4.

COPY of a DESPATCH from Lieut.-Governor DUNDAS to his Grace the Duke of NEWCASTLE, K.G.

(No. 93.)
My LORD DUKE,

Government House, October 26, 1863.

I HAVE the honour to transmit herewith duplicate copies of the Blue Book for the year 1862.

2. Notwithstanding the depression of trade which has prevailed since the commencement of the war in the North American Union, I have a favourable report generally to make of the state of this Colony.

3. The inhabitants are chiefly engaged in agriculture. Sudden vicissitudes of fortune do not therefore frequently occur, but there appears to be a gradual improvement in the culture of the soil, and new farmhouses and buildings are invariably of greater pretension than those which preceded them; signs, I trust, of increasing prosperity.

4. There is one great source of wealth round the coasts of the island which is almost neglected by its inhabitants; I allude to the fisheries. During the summer months hundreds of schooners are attracted to the shores of this island from the neighbouring Provinces and from the United States, while it is the exception to find a vessel belonging to this island engaged in this occupation.

5. I shall now proceed to notice some of the returns of this Blue Book, as compared with the similar returns of the previous year.

Revenue and Expenditure.

6. The revenue of the Colony for the year (25,861*l.* 13*s.* 5*d.*) fell short of that of the preceding year by 2,144*l.* 12*s.* 9*d.* This decrease chiefly occurred under the heads of "Imposts" and "Sales of Public Lands."

7. The expenditure for the year, 34,451*l.* 15*s.* 1*d.*, was larger by 1,651*l.* 17*s.* 6*d.* than that of the preceding twelvemonth. This principally arose from an increased expenditure on roads, bridges, and wharves. The present arrangement, by which the care and management of the roads and bridges are entrusted to local Commissioners, is not, in my opinion, economical, nor is it satisfactory in its working. A measure which would transfer the general control of roads and bridges to a competent engineer would, I am confident, prove a judicious one.

8. The expenditure for the year was 8,590*l.* 1*s.* 8*d.* in excess of the revenue.

9. I brought this inequality between revenue and expenditure to the notice of the Legislature at the opening of the session of 1863. The Legislature took steps which are likely to prove effectual towards improving the financial condition of the Colony. It yielded to the Executive the initiation of money grants in the Assembly. By giving to the several districts power to raise part of the teacher's salary by local assessment it diminished the public expenditure on "Education," an item which in 1862 absorbed 11,000*l.* of the revenue (25,000*l.*) . It also increased the ad valorem duties on imports. These points, however, will be considered more fitly in the Report which will accompany the Blue Book for 1863.

10. The "Public Debt" at the close of the year 1862 was 54,803*l.* To meet this debt there were about 42,000 acres of public lands in the hands of the Government, and the sum of 24,483*l.* 19*s.* 5*d.* was due as instalments on account of sales, bearing interest at five per cent.

General Commerce.

11. The value of imports for the year was 211,240*l.* 18*s.* 6*d.*, an increase of 1,305*l.* 2*s.* 7*d.* on the value of those of 1861. The value of exports was 150,549*l.* 2*s.* 1*d.*, 12,565*l.* 5*s.* 9*d.* less than that of the preceding year. The value, however, of 57 vessels of 7,715 tons transferred to other ports is not taken into account.

12. There is a slight increase in trade with Great Britain, both in value of exports and of imports. In trade with the United States, the imports have increased in value by 4,700*l.* The exports thereto have decreased by 3,300*l.*

Public Lands.

13. I enclose a summary of the accounts of the several estates in the hands of the Government. All amounts in this return are in currency money, which is of one-third less value than sterling.

Government House and Furniture.

14. I have, in accordance with colonial regulations, caused a general report of the state of Government House and furniture to be inserted in this Blue Book. I may report that the house and furniture generally have been very considerably improved since my arrival in 1859. The house is furnished partly by the Government, and partly at the expense of the Lieut.-Governor. The house and Government furniture are under the control of a Committee appointed by the Legislature.

15. The ground on which the house is situated forms part of a piece of ground consisting of about 80 acres of land which in the year 1789 was granted by Lieut.-Governor Fanning to the Governor General, or in his absence to the Lieut.-Governor for the time being, for their "use and accommodation for ever."

Council and Assemblies.

16. In consequence of the Act to render the Legislative Council elective having received Her Majesty's special confirmation, I, on the 2nd December, dissolved the existing Council by Proclamation. On the following day I also dissolved the Assembly, which under the quadrennial Act would have ceased to exist in the spring of 1863. The elections for each of these bodies took place early in 1863.

Military Expenditure.

17. The item of 414*l.* for volunteers includes 266*l.* 13*s.* 4*d.* granted for the volunteer service, and the sum of 16*l.* 13*s.* 4*d.*, the salary of the Adjutant General. The remainder is composed of extra grants made by the legislature for various small items. It is gratifying to me to be able to report, that, notwithstanding the inadequate provision made by the Legislature towards the volunteer service, this force during the year increased in numbers and efficiency. This is entirely owing to the patriotism and spirited conduct of the volunteers themselves, who have necessarily, under present circumstances, to incur much expenditure, which, in my opinion, should be defrayed from the public Treasury.

18. I think it right to direct your Grace's attention to the state of the militia laws. In 1851 an Act was passed (14 Vict. Cap. 6.), enacting that the militia should not be liable to be called out for muster or training except only in times of war, civil commotion, or other sufficient emergency. Another Act was passed in 1858 (21 Vict.

PRINCE
EDWARD
ISLAND.

Cap. 9.) which gives the Lieut.-Governor power to call out this force, whenever it shall in his opinion be advisable to do so, by reason of war, invasion, or insurrection, riot, or civil commotion, or imminent danger of either of them. The enrolment directed by the Act 3 Will. 4. Cap. 30. appears to have been habitually neglected, and the militia is, in consequence, completely disembodied.

19. I have no wish to call in question the wisdom of the Legislature, which in 1851 did away with the annual muster and training, but I trust that the present Legislature may, ere long, take into consideration the changes which have occurred on the American continent since that period, with a view to passing an enactment which will not only provide for the enrolment of men liable to service but also for their annual muster and their regular drill.

I have, &c.

(Signed) GEORGE DUNDAS,

The Right Hon. the Duke of Newcastle,
&c. &c. &c.

Encl. in No. 4.

Enclosure in No. 4.

SUMMARY OF PUBLIC LANDS.

"Worrell Estate and Lot 11."

Lot.	No. of Acres.	Amount sold for.	Amount Deeds.	Amount paid.	Amount paid on Deeds.	Amount due on Purchase.	Discount.	Interest on Balances.
38	8,012	3,736 5 0	47 5 0	2,159 5 6	27 15 0	2,260 19 1	31 15 10	696 5 5
39	11,525	5,948 4 4	67 10 0	3,286 7 5	38 0 0	3,484 17 6	21 6 6	814 17 1
40	6,117	2,879 12 11	37 17 0	1,772 7 4½	25 7 0	1,595 17 5	11 1 3	487 3 1½
41	11,307	5,294 12 0	65 0 0	2,946 16 3	27 15 0	3,307 0 4	25 7 8	947 7 3
42	6,726	3,210 0 3	23 5 0	1,868 19 3	12 17 6	1,872 7 3	20 11 0	541 9 9
43	2,003	1,125 5 6	10 15 0	761 6 8	10 0 0	569 5 8	14 1 9	218 13 7
66	1,121	447 8 6	3 10 0	304 15 5	3 10 0	207 17 11	5 3 3	70 8 1
11	8,610	3,409 8 6	31 5 0	2,117 13 8	23 5 0	1,702 7 0	47 14 6	450 6 8
	55,422	26,050 17 0	286 7 0	15,217 11 6½	168 9 6	15,000 12 2	177 1 9	4,226 10 11½

"Selkirk Estate."

53	3,139	1,090 0 0	13 0 0	268 5 9	3 10 0	883 5 2	—	52 0 11
57	10,504	4,453 18 0	74 10 0	1,414 12 8	28 18 0	3,352 4 2	8 16 0	276 2 10
58	11,672	4,186 9 6	78 10 0	1,318 19 4	38 0 0	3,198 9 9	2 0 0	292 9 7
59	5,210	1,774 1 0	37 0 0	678 12 11	12 0 0	1,236 9 10	—	116 1 9
60	12,495	4,066 1 9	76 10 0	1,167 10 9	28 0 0	3,175 8 7	—	228 2 7
62	10,586	3,837 6 6	66 0 0	1,030 0 3	21 0 0	3,085 18 0	7 9 0	241 0 9
	53,607	19,407 16 9	345 10 0	5,878 1 8	131 8 0	14,931 10 6	18 5 0	1,205 18 5

"Lot 54."

54	10,497	4,127 18 11	60 5 0	1,084 19 7	20 0 0	3,214 4 5	—	131 0 1
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SYNOPSIS OF SUMMARY.

"Worrell Estate and Lot 11."

Dr.	£ s. d.	Cr.	£ s. d.
To amount of lands sold	- 26,050 17 0	By amount paid on lands	- 15,217 11 6½
" deeds	- 286 7 0	" " deeds	- 168 9 6
Interest on balances	- 4,226 10 11½	" " due on lands	- 15,000 12 2
		Discount	- 177 1 9
	<u>30,563 14 11½</u>		<u>30,563 14 11½</u>

"Selkirk Estate."

Dr.	£ s. d.	Cr.	£ s. d.
To amount of lands sold	- 19,407 16 9	By amount paid on lands	- 5,878 1 8
" deeds	- 345 10 0	" " deeds	- 131 8 0
Interest on balances	- 1,205 18 5	" " due on lands	- 14,931 10 6
	<u>20,959 5 2</u>	Discount	- 18 5 0
			<u>20,959 5 2</u>

PRINCE
EDWARD
ISLAND.
—

			“ Lot 54.”				
Dr.	£	s.	d.	Cr.	£	s.	d.
To amount of lands sold	4,127	18	11	By amount paid on lands	1,084	19	7
" deeds	60	5	0	" " deeds	20	0	0
Interest on balances	131	0	1	" due on lands	3,214	4	5
	<u>4,319</u>	<u>4</u>	<u>0</u>		<u>4,319</u>	<u>4</u>	<u>0</u>

ABSTRACT showing the amount paid on purchase, and the amount due on sales and bonds, the quantity of land purchased, and the acreage unsold.

“ Worrell Estate and Lot 11.”

Dr.	£	s.	d.	Cr.	£	s.	d.
To amount paid on purchase of lands	23,500	0	0	By amount due on sales - bonds	15,000	12	2
	<u>23,500</u>	<u>0</u>	<u>0</u>	Balance	578	17	0
To balance	7,920	10	10		7,920	10	10

Dr.	Acres.	Cr.	Acres.
To quantity of land purchased, as per report	83,259	By quantity of land sold	55,422
	<u>83,259</u>	Balance	27,836
To balance unsold	27,836		83,259

“ Selkirk Estate.”

Dr.	£	s.	d.	Cr.	£	s.	d.
To amount paid on purchase of lands	9,918	0	9	By amount due on sales	14,931	10	6
Balance	5,013	9	9		<u>14,931</u>	<u>10</u>	<u>6</u>
	<u>14,931</u>	<u>10</u>	<u>6</u>	By balance in favour of estate	5,013	9	9

Dr.	Acres.	Cr.	Acres.
To quantity of land purchased, as per report	62,059	By quantity of land sold	53,607
	<u>62,059</u>	Balance	8,451
To balance unsold	8,451		62,059

“ Lot 54.”

Dr.	£	s.	d.	Cr.	£	s.	d.
To amount paid on purchase of lands	3,000	0	0	By amount due on sales	3,214	4	5
Balance	214	4	5		<u>3,214</u>	<u>4</u>	<u>5</u>
	<u>3,214</u>	<u>4</u>	<u>5</u>	By balance in favour of estate	214	4	5

Dr.	Acres.	Cr.	Acres.
To quantity of land purchased, as per report	13,000	By quantity of land sold	10,497
	<u>13,000</u>	Balance	2,503
To balance unsold	2,503		13,000

NEWFOUND-
LAND.

No. 5.

NEWFOUNDLAND.

No 5.

[Not received.]

BERMUDA.

No. 6.

BERMUDA.

No. 6.

COPY of a DESPATCH from GOVERNOR ORD to his Grace the Duke of NEWCASTLE, K.G.

(No. 41.)
MY LORD DUKE,

Bermuda, April 21, 1863.

I HAVE the honour to forward to your Grace the Blue Book for the year 1862.

Taxes.

2. The only alteration under this head has been a reduction of the "ad valorem duty" on general imports from $3\frac{1}{2}$ to 3 per cent.

Revenue and Expenditure.

3. The revenue has been 21,804*l.*, as compared with 17,381*l.* in the last year, and the expenditure has risen from 17,604*l.* to 19,298*l.* in the same period. The augmentation of revenue is mainly due to the receipts under the Supply Bill, which have increased from 10,869*l.* to 14,309*l.* The lighthouse receipts have also risen from 644*l.* to 1,146*l.*, and the amount received for fees from 848*l.* to 1,208*l.* The expenditure has been 19,298*l.*, as compared with 17,604 in 1861; the difference, 1,694*l.*, is almost entirely covered by the increased outlay for roads, and by the paying off a sum of 869*l.* borrowed two years since.

Imports and Exports.

4. In both imports and exports there has been a large increase; the former having risen from 164,503*l.* to 238,932*l.*; the latter from 29,780*l.* to 40,415*l.*

Shipping.

5. The entries of shipping have also been more numerous than in the preceeding years, in the proportion of 220 to 314, the principal increase being in the number of vessels from Great Britain.

General Observations.

6. On the whole the past year has been one of considerable prosperity to the Colony; with diminished taxation it has had an increased revenue; and after making a very fair appropriation of funds for objects of public importance it has a balance of upwards of 4,000*l.* in the Treasury; still it must not be forgotten that Bermnda itself has had no hand in producing this result, and that the causes which have led to it will probably before long cease to operate, and the Colony be again thrown on its own resources. It is to be hoped that when this happens it will not be found either that the resources themselves, or the capacity of the people for developing them, have been diminished to a serious extent, although the falling off in the amount of exports, the produce of the Colony, which the returns exhibit, does not serve to allay apprehension on this head.

I have, &c.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

(Signed) H. ST. GEORGE ORD,
Governor and Commander-in-Chief.

BRITISH
COLUMBIA.

No. 7.

BRITISH COLUMBIA.

No. 7.

[Not received.]

AFRICAN SETTLEMENTS AND ST. HELENA.

SIERRA
LEONE.

No. 8.

SIERRA LEONE.

No. 8.

COPY of a DESPATCH from LIEUT.-GOVERNOR BLACKALL, to his Grace the Duke of NEWCASTLE, K.G.

(No. 59.)

MY LORD DUKE,

Government House, Sierra Leone, May 18, 1863.

I HAVE the honor to transmit herewith the Blue Book for this Colony for the year 1862.

2. Considering the short experience I have had here, and the very elaborate report which accompanied the Blue Book last year, I feel that many comments from me are unnecessary.

3. I am happy, however, to be able to say, that in my opinion this Colony possesses and is developing resources of future prosperity. Trade is active, the anxiety to follow agricultural pursuits is increasing, and all the neighbouring chiefs assure me of their desire to maintain amicable relations with this Government.

4. It is also very satisfactory to me to be able to state that this Colony compares most favourably with the other parts of this coast which I have had an opportunity of visiting, in christianity and civilization, and the best feeling has been shown towards me, and every support given to me by all classes, since my assumption of the administration of this Government.

I have, &c.

His Grace the Duke of Newcastle, K.G. (Signed) SAMUEL W. BLACKALL,
&c. &c. &c. Lieutenant-Governor.

GAMBIA.

No. 9.

GAMBIA.

No. 9.

COPY of a DESPATCH from Governor D'ARCY to his Grace the Duke of NEWCASTLE, K.G.

(No. 228.)

Government House, Bathurst, Gambia.

MY LORD DUKE,

September 25, 1863.

I HAVE the honour to forward the Blue Book of 1862, accompanied by the usual Report.

Revenue.

The decrease in the revenue, notwithstanding the civil war amongst the natives in our neighbourhood, has in a great measure ceased, for the amount collected—

	£	s.	d.
In 1861 is	-	-	-
„ 1862 „	-	-	-
Decrease only	<hr/>	<hr/>	<hr/>
	10,979	12	0
	10,955	19	2
	<hr/>	<hr/>	<hr/>
	23	12	10

The comparative yearly statement of the revenue collected in the customs house shows a decrease of 90*l.* 17*s.* 7*d.*, which amount, taking into consideration the alterations made in the revenue by the Customs Ordinance, 1863, abolishing the payment (or collection) of the 4 per cent. ad valorem duty upon all goods imported into the Colony, from and after the 26th August 1862, is very small indeed, the decrease in that duty amounting to 1,207*l.* 9*s.* 5*d.*

An export duty of 3*s.* 4*d.* per bushel on ground nuts and 2*d.* each on hides has been substituted for the 4 per cent. ad valorem duty, but the collection did not commence until the 1st January 1863, and I cannot therefore speak in this report of the favourable results of the fiscal reform.

The apparent increase under the head of duty on wines and spirits, amounting to 526*l.* 0*s.* 3*d.*, arises from the late Ordinance. Wines and spirits paid an extra and additional extra duty; but the Customs Ordinance, 1863, abolishes these duties, and imposes a duty in lieu thereof, from and after 26th August 1862. The increase shown of 166*l.* 8*s.* 9*d.* under the head of extra duties on wines and spirits is caused by the bonds for that duty given in 1861 falling due and paid in 1862; the decrease of 188*l.* 9*s.* 7*d.* in additional extra duties upon the same articles showing that up to the 26th August 1862 there was no remarkable increase in importation of these articles; but the total amount, viz., duty, extra duty, and additional extra duty, collected on wines and spirits during the year 1862, show an increase of 503*l.* 19*s.* 5*d.* This arises principally from the large quantities of wine imported lately, the duty on which has been increased by Customs Ordinance, 1863, from 6*d.* to 9*d.* per gallon.

The importation of tobacco shows a decrease of 41*l.* 13*s.* 9*d.* By the above-mentioned Customs Ordinance, 1863, importers of tobacco are allowed to give bond (due 12 months after date) for the duties on tobacco, as well as for those on wines and spirits; and several merchants having availed themselves of this privilege will account for the apparent decrease. The actual quantities imported, as per Blue Book, are as follows; viz.:

	lbs.
1861	530,476
1862	588,412
Increase	<u>57,936</u>

The Colah nut crop in Sierra Leone during the year 1861 was a very spare one; but the year 1862 produced a fair average crop, consequently the importation into this Colony, where it forms one of the staple articles of trade, was much increased.

The deputations sent by me during the year 1861 to the native kings and chiefs, through whose territory the jowlahs pass on their way from their own country to make palm wine in this Colony, having had the desired effect, these people arrived in greater numbers than during the former season.

The increase in tonnage dues is accounted for by the returns which show that the tonnage of vessels entered at this port during the year 1862 exceeds that of 1861 by more than 5,000 tons, although the actual number of vessels is less, from the circumstance that the French merchant, desirous of evading the harbour dues, endeavours to make several voyages in the current year by the employment of fine clipper vessels.

The increase in quarantine fees arises from a number of small vessels and boats coming into the harbour with and for letters, &c., all of which are liable to and are charged this fee, but are not otherwise reported.

Pilotage shows an increase of 25*l.* 5*s.* By the new Pilotage Ordinance, 1862, the amount payable by vessels entering and leaving this port was increased from 5*s.* to 6*s.* per foot.

Exports.

I have to report a further increase in the exportation of ground-nuts to a very considerable extent, viz., 4,146 tons 6 cwt. 3 qrs. 14 lbs., the crop for the past year having been a very full one.

The exportation of hides shows a very large decrease, viz., 10,312 in number. Owing to the war in America, and consequent want of a market, the merchants have stored their hides; but there is still a large decrease in this article, as also in ivory and clean wax, the trade in those articles formerly carried on between this port and the leeward and windward coasts, from whence it was imported into this Colony, having declined very materially; in fact the small quantity exported arrives by the M'Carthy Island route, and is now confined to but one mercantile house.

Legislation.

The most important Act of the Legislature of the past year is the new Apprentice Law, which I trust will be confirmed by Her Majesty. I was compelled to proclaim the law. Many respectable inhabitants in the town being apprised of its spirit became desirous of at once availing themselves of the advantages held out. They visited "Outram town," where the poor starving parents most readily gave up their children as apprentices. I had the pleasure of signing at Government House no less than 100 indentures in one day, and they are still flocking in, the wanderers having by tradition the greatest confidence in any law made by the British government.

GAMBIA.

I have in previous Despatches explained to your Grace how the French captains of vessels evaded the provisions of the Ballast Ordinance, by throwing it overboard just beyond the three leagues prescribed by law. It became my object to construct a *pont d'or*, by legislation, to land this essential; but the Council were of opinion that it was monetarily too favourable to the foreigner, yet I am inclined to think a re-action has taken place in the opinions of the board, the necessity of roads having been of late so very apparent; with one or two slight modifications I think I shall be able to pass my bill next session; yet it is to be regretted that before that period can arrive this sand-bank will lose many hundred tons of stones * * * * *

I then endeavoured to effect socially that which I could not enforce by law. M. M. Blauchet, the minister of the Roman Catholic Mission, begged I would grant him 100 tons of stone to repair his chapel, reminding me at the same time that this valuable material was brought from France in French ships. Admitting this axiom, I made him at the same time understand the whole subject; and he promised to use his influence in persuading the captains next year to land their ballast, instead of throwing it into the sea. The Mission is held in such respect that I have no doubt a request coming from such a quarter will have considerable weight, and that the road to the lung of the colony, Cape St. Mary's, will be soon thus completed, to the great advantage of the European community and the inhabitants generally.

I was also defeated in Council on the occasion of the repeal of the town dues, owing to the unexpected illness of some members who promised to support my measure. I was anxious to expunge this only direct tax from the statute book. It is obnoxious to the people, and owing to the want of tact on the part of the constables it is often levied with harshness and want of consideration. The amount collected is only 300*l.* a year, one sixth of this amount going to the officer whose duty it is to make the collection.

Education.

Some days previous to the Midsummer holidays, I held my annual examination of the schools. It occurred to me that unprepared visits to the several missions would be a better test of proficiency than the usual public occasion of examination. Consequently I stepped into the Wesleyan schoolhouse at 7 o'clock one morning, and found the schoolmaster, Mr. Peyton, hard at work instructing 160 children. I then proceeded critically to examine the different classes. The pronunciation of the boys, in reading, was excellent, and their general intelligence of a higher order than I expected. I was also much pleased to find that their attention had been directed to geography, the omission of which branch of knowledge I had commented on the year before. The reading and writing of the girls was very creditable, and their sewing clean and neat; the discipline of the school being just what it ought to be, the scholars were very governable, and they seemed to regard their teachers with affection. Including their scholastic establishment at M'Carthy's Island, the Wesleyan mission educates no less a number than 403 children, of whom 223 are boys and 180 are girls. The Colonial Government has for many years bestowed 100*l.* a year on this mission for educational purposes, and for the last three years a sum of 20*l.* a year for distribution amongst the poor for 1864. This charity is increased to 30*l.*, besides a special grant of 20*l.* in aid of building the schoolhouse and chapel at Newcastle, British Combo.

Next in order comes the Roman Catholic Mission School, where I also proceeded unannounced. I found 55 boys under the tuition of an English schoolmaster. The establishment is conducted on most liberal principles, the mission very properly having determined that the children born in an English Colony ought to be educated in no other language than English. The good sisters of the mission were instructing 50 girls in sewing. I examined their copy books, and the writing quite equalled the style usually to be met with in English female schools. The Government has also increased the educational grant 70*l.* a year, and they have also received 20*l.* a year for distribution amongst the poor, increased to 30*l.* for 1864.

* * * * *

Of the Garrison School I do not know so much, as it is a matter of detail for the Commanding Officer's attention; but I find by the returns that out of the small force stationed in this town 3 serjeants, 5 corporals, 2 drummers, 30 privates, 26 boys, and 14 girls regularly attend school, under the charge of a civilian schoolmaster of ability, Mr. Charles Moore, who, as Colonial Clerk, instructs, by my desire, every week, 20 Congo boys (lately liberated from slavery) in the Lord's prayer, the 10 commandments, the Church catechism, together with *vivâ vocâ* instructions in geography and common things. Thus have we no less a number than 659 little people under instruction in a settlement numbering 6,000 inhabitants, being little more than nine per cent. of the

population, which I cannot help thinking is very creditable to the Government and to the community. Moreover a sum of 100*l.* is set aside by the Council for 1864, at the disposal of the newly appointed Colonial Chaplain, to establish next year a Colonial Government School in connection with the Garrison School; 30*l.* a year is also at this reverend gentleman's disposal for charitable purposes. These several donations are requisite in a settlement as yet without a poor or alms house. GAMBIA.

Combo.

This district is becoming more interesting every day, and more advantageous to the Colony. The liberated Africans are beginning to see the great advantage of agriculture, and that all cannot be traders. Very nearly the whole of the district is under cultivation, except the great tract running south-east which separates British from Lower or Native Combo.

It was considered good policy by my predecessors, with the view of encouraging settlers, not to tax the country for some years after the cession. This consideration has had the desired effect of adding to the population, and of turning a large arena of bush into a waving mass of cultivation, but it has saddled me, in 1863, with the invidious position of an excise-man. I have experienced very great difficulty in collecting the revenue, so much so as to render it necessary for me to adopt the strong measure of ejectment as soon as the ground nut crop is collected, when the farmers can have no excuse for not paying to Her Majesty that which from time immemorial they have paid to their native Kings and Chiefs.

All well-wishers of the African race will read with intense interest Governor Bayley's very interesting report for 1862 on the Bahamas, especially in paragraph the sixth, where he dwells so feelingly on the disappointment he experienced in the conduct of 400 Congoes whom he had received as emigrants from the coast of Africa two years before. By your Grace's permission I received the smaller freight of 200 about the same time, and I have the greatest pleasure in reporting that they have by far exceeded my most sanguine expectations. 50 boys were bound to respectable mechanics in the town, and they are now in a very fair way of becoming, when their apprenticeship is expired, skilful carpenters, mechanics, and shipbuilders. This youthful body have evinced a very uncommon desire to attain knowledge, so much so as to cause my requesting their masters to allow them one night in the week to attend in the Garrison schoolroom, for the purpose of being taught *vivâ vocâ* common things. Of this body I have really had very few complaints from their masters; but, strange to say, they have complained to me on more than one occasion that their masters have not taught them "good," bestowing more care on the "free apprentices," as they call the Colony-born.

The remaining number of 150 are located in British Combo in a very flourishing little village called Barrow Town, where they have become agriculturists, and with very few exceptions they have realized money sufficient for all their wants, proving a source of military strength to the Colony, and supplying the market of this town with palm wine, eggs, fowls, cassada, ground nuts, and vegetables of different kinds.

* * * * *

Viewing the African as a labourer, he is a good creature in his way, submissive, and easily controlled by a strong mind; being, however, without education, he acts from impulse, and has no control over his emotions and passions. I have known them frequently die of a broken heart after only a night's confinement in gaol, and commit suicide on the first disgrace or even reverse of fortune. The West Indian and the Sierra Leone creole, on the contrary, has been taught from the force of circumstances to exercise some little judgment in ordinary affairs, and consequently weighs a little before he acts; but, again, his self-sufficiency is ridiculous, owing, I fancy, solely to want of example, and to that Spiritual education he receives from the good but scarcely practical missionaries.

Improvements.

Improvements present themselves in British Combo. During the past year a small but safe bridge has been thrown across the creek at Jeshwang, by which road all the produce and traffic passes to Bathurst from the main land, and a stone chapel has made its appearance at Newcastle, to the great delight of our Colony-born subjects. Owing to the zeal of the manager, bridle-roads sufficiently broad for two horsemen to ride abreast intersect the country; an improvement on the Indian file pathways used by the natives, and the sabbagee wood has nearly disappeared beneath the settler's axe. In the town of Bathurst the sea-wall has answered all expectations, allowing the arena saved from the sea to be disposed of in lots by public auction, retaining the outside circle as a race-

GAMBIA.

course. On dark nights, from the shipping, the newly-erected lights in Wellington Street have a very pretty appearance, and tend considerably to assist the police; and about 600*l.* of the rate money has been expended, under the able superintendence of Mr. Robertson, the Colonial Secretary, in facing the drains with masonry, and in completing the footpath in Wellington Street. Householders having last year constructed a footpath in their immediate frontage, the street, which used to be so tiring to pedestrians, is now converted into a pleasant promenade.

The Clifton road to Cape Saint Mary's, a distance of about seven miles, is in course of construction by the chain gang, and the starving people who, as your Grace is aware, flocked to the Colony from the misery caused by the Civil War. Military communication with the Cape will now be prompt and sure, and the easy communication will be favourable to invalids. Nor have our settlements on the other side of the river been forgotten; for a handful of rice a day the women and children of the first starving exodus who arrived last March have constructed a very durable pathway through Berwick Town of the decomposed broken oyster shells; and the Militia Artillery, while stationed at Fort Bullen (in the absence of the troops at Lagos), built a small pier or jetty of the ironstone boulders that abound on the sea-shore of the mainland, and in this work the men were not assisted by a European officer; it was solely superintended by the native non-commissioned officer in charge, Serjeant Elliott, a Colony-born African.

It is always a pleasing task for a coast Governor to be able to speak in praise of the African. During all the trying scenes which for the last 18 months have taken place at Berwick Town, Barra Point, the constable, or alcade, as he is termed by the natives, Charles Wasser, a prosperous but uneducated liberated African, has conducted affairs in his little district with a wisdom, tact, courage, and humanity worthy of the greatest praise. Unfortunately both Charles Wasser and Mr. Campbell, the gaoler, were redeemed too late in life for education to have any effect, otherwise these public servants might have, with confidence, vied with Europeans in any capacity.

* * * * *

Cotton.

Your Grace did me the honour to forward my Report to the Manchester Association on the capabilities of the adjacent countries for growing cotton to an amount sufficient for exportation, and I received a very practical reply in the receipt of one ton of beautiful Egyptian seed. This I have distributed along the banks of the river to many English and French traders; and in order to encourage its growth I have selected in British Combo a piece of ground adapted from its loamy nature to the growth of the desired article. This spot I have retained as a Government cotton farm, not only to serve as an example, but to enable the manager and other officials to learn all particulars connected with its cultivation.

The summer vacation is always spent in England by the Bathurst merchant, who thus avoids the unfavourable season on the coast, and at the same time saves agency. On their return last November I observed a public spirited resolve on their part to give the trade a trial; they all exported gins, and soon the cheerful busy sound of machinery at work was heard in Wellington Street by the passer by, and no less an amount than 60 tons was exported to Liverpool last year. The remuneration is however trifling, even during the present high prices. The grower, from some unexplained cause, cannot sell it under 2*½d.* per pound in its raw state. Whilst the price of cotton equal to the Gambia sample I have the honour to enclose fetches 1*s.* 6*d.* per lb. in Manchester, the expenses of sending it home, including commission, freight, &c., amount to at least 3*d.* a pound, leaving 1*s.* 3*d.* as the net price, and it takes about four pounds of raw cotton to give one pound of clean. The labour is, moreover, expensive, leaving only a gain of 5*d.* the pound to the merchant. The commercial feeling here is, that if it was presented in its raw state at 1*½d.* a pound it would soon form a staple export; but, I am more inclined to encourage the grower to clean the article, as the merchant is slow to undertake a new line of trade, foreign to his experience, involving an outlay of capital in the building of stores and outhouses for the working of the gin and for storage. If the native could be induced to prepare and clean it, I think we should be advancing a step in the right direction; and might not this be done by the Colonial Government distributing the simple cheap Turkish or the Maltese gin to the farmers? I never cease importuning the river kings and chiefs to encourage the growth of cotton; but it is very discouraging to be met with this invariable reply, "Why should we be more industrious than our forefathers?" Yet industry has made a great stride amongst them of late years, quoted, I believe, in the House of Commons, by the Prime Minister. In 1837 only 671 tons of ground nuts were exported, and in 1858 the amount was officially recorded as 15,729 tons! What was

the impulse which compelled the native to take so industrious a stride ? Let us hope that in 22 years from the present date the export of cotton may increase in the same proportion, and I really see no reason why it should not, provided every encouragement is given to the farmer, verging upon a guarantee that his unusual industry will meet with a prompt sale. Then, instead of 40,788 tons of French shipping, 1883 may see an equal tonnage of British shipping riding in these waters, and the African himself, improved by the possession of wealth, may indulge in civilized wants and requirements procured from the markets of Great Britain.

The accompanying return, filled in by the various mercantile houses, I have the honour to annex :—

Names of House.	Amount of Cotton received from the Natives in a Raw State since August 1862.	Amount likely to be exported and has been exported since August 1862.	Remarks of Merchants.
	Tons. Cwts. Qrs. Lbs.	Tons. Cwts. Qrs. Lbs.	
Messrs. Brown & Co.	23 15 0 0	18 17 0 0	{ The process of cleaning by hand labour is too tedious and expensive to induce persons to enter into the undertaking of cleaning cotton for the home market.
„ Chown & Co.	5 14 0 0 {	Shipped 61 Bales of clean Cotton to London, weighing 9,707 lbs.	
„ W. H. Goddard	0 6 0 0	None - - -	{ Received from the river from August 1862 to August 1863 about 8 Cwts. from quantity stored before.
„ Forster & Smith	11 9 0 5 {	None has been exported to England as yet, the machinery for cleaning it not yet being wholly set up - - -	{ Introduce the simple Maltese roller gin, and also the Turkish gin costing \$2, among the Natives, to enable them to clean it themselves, and bring it to market in an exportable state.
„ Quin & Co. -	1 18 0 22 {	Shipped 42 Bales of Cotton to London, about 2,000 lbs., of which 2 Bales are clean.	
„ Ingram -	4 9 0 0 {	Shipped 30 Bales of clean Cotton to Liverpool, about 2,400 lbs.	

Climate.

All particulars in reference to the climate of the coast of Africa ought to be made known. It would be satisfactory to record a conviction that the stone buildings, well-appointed houses, civilized comforts, and improved drainage had lessened the prevalence of the coast fever in the island of St. Mary's ; but it is not so ; and until the marsh situated to windward of the town is drained I fear the mournful statistics will still place Gambia almost out of the pale of life insurance companies.

* * * * *

The range of the thermometer during the past year has been 76. This is far below the heat endured by our troops in the East Indies, where the temperature of the barrack rooms have to be kept down by punkahs and damp kuss-kuss mats.

On the west coast we have a rainy season ; there is also a periodical change of wind, as in the same latitudes in India ; in effect a monsoon.

During the winter, spring, and summer, the up-stairs ward of the Colonial Hospital devoted to European sailors, chiefly of the French nation, is empty ; whereas now in August, whilst I am writing, it is full of cases in every stage of fever. They are tended with care, and surrounded by comforts so different from the stifling holds of their respective vessels, now at anchor in harbour. This sight would be refreshing to the enlightened Administrator, who originated and carried through, after much opposition, the foundation of this establishment ; and it also tends to prove the truth of the saying, " that the Gambia " is the finest climate in the world for nine months in the year, but the worst for " three."

GAMBIA.

* * * *

Recapitulation.

Colonial Hospital	- { Cured	- 97
	Died	- 27
Gaol of Bathurst	- { Cured	- 85
	Died	- 4
	Grand Total	- <u>213</u> European and Natives.

General Observations.

The export tax on the produce, which came into operation on the 1st January of this year, has been found to work very favourably, adding to the revenue some 2,000*l.*; it is considered more equitable than the 4 per cent. ad valorem on imports. The French merchants are contributing their share to the revenue; but as this reform in the taxation belongs more to the future Report on the Blue Book of 1863, I will not further dwell on this fiscal subject, only confining myself to the remark, that it is generally supposed that a year like the present, with a religious civil war around the settlement, raging for the last 18 months on both banks of the river, far above M'Carthy's Island, can scarcely be taken as a fair average year.

It has been a very difficult task to avoid being mixed up with the troubles of our neighbours, especially as the belligerents have latterly seized cattle the property of our neighbours; yet the captures have been made in all the excitement of war, and in ignorance, I really believe, of the property being British. The warriors, on being asked to return that which did not belong to their enemies, replied with reason and moderation, promising to repay the value of the stock in ground nuts next year. But our traders are not so reasonable; they talk of making reprisals if the Government does not at once help them. Indeed I had to remind one trader somewhat sharply, that when he traded beyond British jurisdiction it was quite on his own responsibility and risk and that if he attempts any coercive measures I should be compelled to arraign him under the Colonial Ordinance of May 27, 1853, distinctly forbidding, under a penalty, British subjects from taking service under any chief engaged in war.

* * * *

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

I have, &c.
(Signed) G. D'ARCY.
Governor.

GOLD
COAST.

No. 10.

GOLD COAST.

No. 10.

[Not received.]

CAPE OF
GOOD HOPE.

(No. 132.)

No. 11.

CAPE OF GOOD HOPE.

No. 11.

COPY of a DESPATCH from Governor Sir P. E. WODEHOUSE, K.C.B., to his Grace the Duke of NEWCASTLE, K.G.

Government House, Cape Town,
October 9, 1863.

MY LORD DUKE,

I BEG now to transmit for your Grace's consideration the Blue Book for the Colony of the Cape of Good Hope for the year 1862. A year which may probably with justice be termed the most unfavourable for all classes of the inhabitants which has been experienced for a very considerable length of time. The reports of the Civil Commissioners will show that from one end of the Colony to the other the losses on the

crops from excessive drought and the ravages of insects, on the sheep from the drought and the severity of the following winter, on cattle and horses from the same causes and from epidemics, on the vines from oidium and unfavourable weather, in short on every branch of colonial industry, have been most ruinous. And although happily the course of the present year has been distinguished by most favourable seasons, the commercial distress resulting from past misfortunes presses heavily on the community, and compels us to regard the restoration of prosperity as a process of very gradual accomplishment. The revenue receipts for 1862 are set down at 716,488*l.* as against 748,866*l.* for 1861, thus exhibiting a comparative decrease of 32,377*l.* But a careful examination of the returns will show that the actual condition of the finances was more unfavourable, for among the receipts of 1862 we find set down an additional amount borrowed of 15,399*l.*, and an additional sum of 19,937*l.* for advances repaid; that is to say, of sums paid out on former years, and formally brought to account in 1862. Upon the whole, therefore, it may fairly be stated, that the revenue of 1862 fell short of that of 1861 by about 67,000*l.* The falling off in the receipts from land sales was very great. The state of the money market was such that a fair price could not be obtained for Crown lands, and the Government, therefore, abstained from holding profitless sales. The customs revenue was somewhat deficient, and indeed the only item on which there was a material advance was the transfer duties, attributable to an increase in the rates made by an Act passed in the session of 1861.

The statement of expenditure for 1862 gives an outlay of 683,792*l.*, as against one of 763,236*l.* for 1861, showing an apparent reduction of 79,444*l.*, principally under the heads of immigration, convict establishments, works and buildings, and loans repaid. But it is difficult within the limits of this Despatch to explain clearly the actual state of the finances of the Colony.

It is unfortunately beyond question that the current revenue is insufficient to meet the current expenditure, and that up to this time recourse has been had to loans as the simplest method of escaping from difficulties. In 1862, owing to a large loan having been raised in 1861, the year opened with a balance in the public chests of 61,522*l.* The year closed with a balance of only 4,046*l.* I have strongly pressed on the consideration of the Parliament the injury which the Colony must sustain from such a system of administration. My efforts have up to this time met with but little success; but I can scarcely suppose that the legislature, or their constituents, can long remain blind to what their best interests imperatively demand. They will but delude themselves if they act on a belief that any material reduction of expenditure can be effected. I have closely watched the course of events, and am satisfied that the revenue must be brought up to the cost of their present establishments. Public establishments have been brought into existence in various parts of the country, which, though undoubtedly affording considerable conveniences, might well have been postponed. But as they do exist, it is no longer in the power of the Government to suppress them, or to look to Parliament for any support in reducing these localities to their previous insignificance.

It was not to be expected that in a time of such general depression the Legislature would be disposed to deal substantially with any large questions; and indeed it will be found that no Bills of importance were passed through the two Houses, with the exception of those authorizing the construction of three railways, under the guarantee of the colonial revenues. Even these, however, were passed in such a form as to deter capitalists from coming under engagements for the execution of the works; and the amending Bills passed during the session of this year have only authorized the Government to obtain surveys and estimates for the several lines to be submitted to Parliament in 1864.

In the course of the year 1862 Her Majesty's Government directed a very important change to be made in the distribution of the staff and troops composing the garrison of the Colony. They directed that Graham's Town, which had hitherto been the head quarters of the command, and at which a large number of the troops had been stationed, should be abandoned; that the troops should be moved forward into the neighbouring Colony of British Kaffraria; and that Cape Town should for the future be the station of the head quarters. Subsequently, on representations submitted to them, they admitted that King William's Town, in British Kaffraria, ought under the altered circumstances to become the head quarter station, as soon as accommodation could be provided there; but they declined in the meantime to assent to the retention of Graham's Town. At present, therefore, the main body of the troops are at the eastern limit of the command, while the officer in command and his staff are at the western extremity. I have thought it my duty to bring prominently under your Grace's notice the extreme inconvenience attending such an arrangement, and I look with confidence to the speedy adoption of measures calculated to replace our military establishments on a satisfactory footing.

**CAPE OF
GOOD HOPE.** In conclusion, I have to observe that our relations with the several native tribes have throughout the year been very satisfactory, and I trust I may look forward with confidence to a continuance of the existing tranquillity.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

I have, &c.
(Signed) P. E. WODEHOUSE.

NATAL.

NATAL.

No. 12.

No. 12.

COPY of a DESPATCH from LIEUTENANT-GOVERNOR SCOTT to his Grace the Duke of NEWCASTLE, K.G.

(No. 126.)

My LORD DUKE,

Government House, Natal, November 2, 1863.

I HAVE the honour to transmit the Blue Book for this Colony for the past year, 1862.

Revenue and Expenditure.

1. Revenue.—On comparing the gross amount of revenue as given in the tabular statement of the Blue Book for the past year with the revenue of the preceding year, 1861, there is an apparent decrease of 4,788*l.* This, however, does not exhibit the real financial position of the Colony, inasmuch as the mode of keeping the public accounts introduces entries both on the side of revenue and expenditure which give a fictitious magnitude to the yearly aggregates. The following statements show the real heads of revenue on which there has been an increase, and those on which there has been a decrease, as compared with the preceding year, 1861.

Heads of revenue on which there has been an increase.

	1861.	1862.	Increase.
Customs	37,471	40,672	3,200
Land Sales	1,498	2,720	1,222
Land Revenue	5,800	7,277	1,477
Auction Dues	2,175	2,407	232
Taxes (Native)	16,906	17,925	1,019
Postage	3,131	3,449	317
Fines, forfeitures, &c.	2,040	3,257	1,216
Fees of Office	1,120	1,356	236
	Increase		£8,919

Heads of revenue on which there has been a decrease.

	1861.	1862.	Decrease.
Port and Harbour Dues	1,481	1,477	4
Rents	6	1	5
Transfer Dues	13,587	7,021	6,565
Licences	5	0	5
Stamps	2,644	2,132	511
	Decrease		7,090

From the above statements it is seen that so far from there having been a falling off in the true and permanent sources of revenue there has been an increase of 1,829*l.* It will be observed that the chief decrease is under the head of transfer dues, and this arises from the circumstance that in the year 1861 an unusual amount was collected by reason of the formation of a company called the Natal Land and Colonization Company, which has had transferred to it from former proprietors a large extent of land, exceeding 240,000 acres. This decrease is therefore an accident rather than a real falling off in this source of revenue. From the following table, giving the actual amount collected for transfer dues from the year 1856 to 1862 inclusive, it will be observed that there has

been, apart from this accidental increase in 1861, a steady advance yearly in this item of NATAL revenue.

Transfer Duties in 1856	-	-	-	1,805
Ditto	1857	-	-	2,585
Ditto	1858	-	-	2,374
Ditto	1859	-	-	4,552
Ditto	1860	-	-	5,721
Ditto	1861	-	-	13,587
Ditto	1862	-	-	7,021

It may therefore be fairly estimated that in transfer dues the amount collected in 1862 exhibits an ordinary advance of upwards of 1,000*l.*, and if this be added to the increases in the other items of revenue as shown above, viz., 8,919*l.*, the revenue of 1862, as compared with that of 1861, exhibits an advance of about 10,000*l.*

Expenditure.—The gross expenditure for the past year amounts to 113,237*l.*, being in excess of the gross revenue by a sum of 3,938*l.*

This excess of expenditure over revenue was met out of the balance in the Treasury, which at the commencement of the year was equal to 8,984*l.* The following statement exhibits the cost of each branch of the service, and the amount of revenue collected by each.

Expenditure. Lieutenant Governor's Department	-	-	1,663
Revenue. None.			
Expenditure. Colonial Secretary	-	-	1,963
Revenue. Fees of office	"	-	11
Expenditure over revenue	-	-	1,952
Expenditure. Treasurer	-	-	642
Revenue, viz.: Land, auction duties, &c.	-	-	9,686
Revenue over expenditure	-	-	9,044
Expenditure. Secretary for Native Affairs, including the reserve of 5,000 <i>l.</i> made by the Charter for native purposes	-	-	7,046
Revenue. Hut tax on natives	-	-	17,926
Revenue over expenditure	-	-	10,880
Expenditure. Auditor	-	-	900
Revenue. Fees of office	-	-	9
Expenditure over revenue	-	-	891
Expenditure. Surveyor-General	-	-	2,200
Revenue. Land sales, fees of office, survey fees, &c.	-	-	3,124
Revenue over expenditure	-	-	924
Expenditure. Registrar of Deeds	-	-	610
Revenue. Transfers, stamps, and fees of office	-	-	10,144
Revenue over expenditure	-	-	9,534
Expenditure. Colonial Engineer	"	-	1,042
Revenue. No fixed revenue	-	-	
Expenditure. Collector of Customs	-	-	2,047
Revenue. Custom's duties	"	-	40,777
Revenue over expenditure	-	-	38,730

REPORTS EXHIBITING THE PAST AND PRESENT

NATAL.

	£
Expenditure. Port office	2,640
Revenue. Port and harbour dues	1,477
Expenditure over revenue	<u>1,163</u>
Expenditure. Post office	4,845
Revenue	3,506
Expenditure over revenue	<u>1,339</u>
Expenditure.—Judicial, including the Supreme Court, Attorney-General, resident magistrates, sheriff, police, and gaols	18,077
Revenue. Fines, forfeitures, and fees of court	3,257
Expenditure over revenue	<u>14,820</u>
Expenditure. Executive Council	50
Revenue. None.	<u> </u>
Expenditure. Legislative Council	2,013
Revenue. None.	<u> </u>
Expenditure. Education	1,558
Revenue. School fees	47
Expenditure over revenue	<u>1,511</u>
Expenditure. Ecclesiastical grants	1,093
Revenue. None.	<u> </u>
Expenditure. Hospital and medical establishment	2,324
Revenue. Hospital fees	67
Expenditure over revenue	<u>2,257</u>
Expenditure. Queen's troops, yearly allowance	5,000
Revenue. None.	<u> </u>
Expenditure. Volunteers	679
Revenue. None.	<u> </u>
Expenditure. Public works, viz.:	
Construction of prisons	4,561
Construction of military posts	1,400
Construction of powder magazines	245
Repair of wharves	1,164
Engineers' store, tools, &c.	1,111
Improvement of Umkomazi river mouth	582
Sundries, repairs, &c.	589
Construction of bridges	7,597
Formation and repair of roads	5,773
	<u>23,022</u>
Expenditure. Pensions	244
Expenditure. Immigration, European	6,929
Revenue. Repayments	1,146
Expenditure over revenue	<u>5,783</u>
Expenditure. Immigration, Indian coolies	922
Revenue. Repayments	53
Expenditure over revenue	<u>869</u>

		£	NATAL.
Expenditure.	Purchase of gunpowder, &c.	1,429	
Revenue.	Sale of ditto	3,571	
	Revenue over expenditure	<u>2,142</u>	
Expenditure.	Gratuities to scientific institutions	255	
Expenditure.	Stationery, printing, translations, and petty expenses	<u>1,758</u>	
Expenditure.	Cost of articles for London Exhibition	1,141	
Expenditure.	Contribution to Memorial to His Royal Highness the late Prince Consort	500	
Expenditure.	Sundry items	<u>751</u>	

Imports and Exports.

2. There has been the usual steady increase in the export and import trade of the Colony.

Value of exports for 1861	-	-	-	119,207	
Ditto	1862	-	-	127,228	
		Increase	-	<u>8,021</u>	
Value of imports for 1861	-	-	-	402,689	
Ditto	1862	-	-	<u>449,469</u>	
		Increase	-	<u>46,780</u>	
Customs duties for 1861	-	-	-	37,337	
Ditto	1862	-	-	<u>40,529</u>	
		Increase	-	<u>3,192</u>	

The following table exhibits, from the year 1844 to 1862, the tonnage of vessels inwards and outwards, the value of the imports and exports, and the customs duties collected; and in order to show more readily at a glance the gradual advance in the commerce of the Colony, a summary of each is given for every five years.

ACCOUNT of SHIPPING and TRADE, INWARDS and OUTWARDS, from 1844 to 1862, with approximate STATEMENT for 1863.

Years.	Shipping inwards.	Summary for 5 years.	Value of imports.	Summary for 5 years.	Customs duties on imports.	Summary for 5 years.	Shipping outwards.	Summary for 5 years.	Value of total exports.	Summary for 5 years.
	Tons.						Tons.			
1844 -	1,831		41,141		4,041		1,858		11,387	
1845 -	2,781		40,592		3,416		2,441		10,400	
1846 -	3,528		41,958		3,511		3,678		17,143	
1847 -	3,226		46,981		3,803		3,226		14,377	
1848 -	4,166	15,532	46,204	216,876	4,705	19,476	3,761	14,964	10,867	64,174
1849 -	5,905		55,922		5,802		6,066		11,992	
1850 -	16,581		111,016		10,911		14,940		17,106	
1851 -	8,951		125,462		12,128		8,829		21,817	
1852 -	6,138		103,701		10,004		6,460		27,846	
1853 -	5,015	42,590	98,838	494,939	9,800	48,640	5,193	41,488	36,792	115,553
1854 -	8,229		122,492		10,864		7,823		43,661	
1855 -	3,705		86,551		8,612		4,287		52,073	
1856 -	5,007		102,512		10,227		5,149		56,563	
1857 -	8,117		184,549		14,627		7,973		82,497	
1858 -	11,025	36,083	172,832	668,936	15,905	60,235	10,690	35,922	100,587	335,381
1859 -	10,494		199,917		18,630		9,811		110,415	
1860 -	15,464		354,987		33,831		14,164		139,698	
1861 -	18,192		402,689		37,337		18,665		119,207	
1862 -	22,948		449,469		40,529		21,509		127,228	
1863* -	23,500	90,598	465,000	1,872,062	43,000	173,327	22,500	86,649	165,000	661,548

* The several items placed against 1863 are approximate only, but based upon actual returns for the first six months of the year.

Agriculture and Manufactures.

3. Sugar.—Amongst the products of the Coast District sugar is the most important. As is usual in all Colonies with regard to new undertakings, the planters have had to contend against many adverse circumstances, and especially from want of capital and the consequent high value of money. The uncertainty of the native labour, on which they have mainly had to depend, has also been a drawback to the more rapid extension of the cane cultivation. The minor obstacles are now, however, being overcome by greater experience, both in the cultivation of the cane and in the manufacture of the sugar. Capital is more abundant, and the establishment of several banks has greatly reduced the rate of discount and the general rate of money accommodation, and a supply of constant and certain labour is being provided by the introduction of Coolies from India. The cane crops of this year are large; the average yield of sugar per acre is equal to that obtained in any other sugar-growing Colony, and, all things considered, it may safely be assumed that this Colony will, in progress of time, export a large quantity of this staple article.

Owing to the consumption of the sugar in the Colony and the neighbouring republics, it has not yet formed a large item of the exports. The quantity manufactured and exported during the last three years has been:—

1860—Manufactured	- 1,505 tons.	Exported	- 1,218 tons.
1861—	" - 1,669 "	" - 764 "	
1862—	" - 2,344 "	" - 846 "	

The home consumption may now be considered as provided for, and the export during the present year will no doubt greatly exceed that of the past year. The sugar mills erected in 1861 were 42; in the past year, 1862, these were increased to 57 in number. A first-class sugar mill has been erected by the Government on the Umooti Native Mission Station, where 80 acres of cane will be fit for crushing this season, the whole of which has been planted by the native Kaffirs on the station. This mill has been erected by the Government, in accordance with that policy which seeks to raise the natives into higher industrial pursuits. It is under the superintendence of an agent of the Government; and the natives who cultivate the cane receive one half of the produce, the other half being retained by the Government to defray the annual expenditure, and to form a fund for the ultimate payment of the outlay incurred in the erection of the mill.

This example has already had the effect of inducing some of the natives on another station to combine and purchase a small mill on their own account.

Coffee.—Although sugar will no doubt be the staple product of the coast lands, coffee is now attracting considerable attention. The coffee hitherto grown is pronounced to be of the finest flavour. The resident magistrate of the Inanda Division, where it is at present chiefly being grown, states that there is a yield of 7 cwt. per acre, which obtains a price of 70s. the cwt., or 24*l.* 10s. per acre. One obstacle to the extension of the growing of coffee is that no return is obtained for the first four years; but once the trees begin to yield, its cultivation may be carried on with little risk, trouble, or expense, the labour of 50 Coolies being considered sufficient for 100 acres.

It will most probably be grown on estates in combination with sugar, arrowroot, cotton, and other coast products. The quantity obtained last year was 33,314 lbs. It is an article of large consumption amongst the Dutch population of South Africa.

Arrowroot.—The cultivation and manufacture of arrowroot has declined. This is partly owing to its having failed to command as high a price in the London market as the arrowroot of the West Indies, and partly to a preference being given to the cultivation of other products. That hitherto made was manufactured by persons wanting in experience, and with rude machinery. Its yield per acre is very satisfactory, and those competent to form an opinion state that if its manufacture were improved, and brought up to that of other Colonies, the Natal arrowroot would not be inferior to the best.

Indigo.—The indigo plant grows wild in almost every part of the Colony. An attempt was made some years back to establish a factory, but owing to causes connected with the individuals who composed the small company, it was broken up, and its manufacture has not again been attempted.

Tobacco.—This has long been grown by the natives for their own use in the manufacture of their snuff, of which they consume very large quantities. It has also been occasionally grown by the colonists, and it is stated to be productive and profitable; it has not yet, however, received any serious attention.

Minor articles of coast produce.—The coast, having a semi-tropical climate, is capable of producing a large number of useful and valuable articles, some of which at present are cultivated for home consumption, but before these receive due attention, and become

articles of export, the population must be largely augmented, competition in the various industrial pursuits must increase, and labour be more abundant.

Cotton.—Various kinds of cotton have been grown in small quantities, both on the coast and inland. Some few years ago the natives were by the Government induced to undertake its cultivation, and a good deal of experience was gained, especially in regard to the soil and localities best suited for its growth. Its value in the English market was then very low, while at the same time the price of other native produce, such as maize, or, as it is here called, "mealies," was yearly increasing, and under these circumstances it became impossible to push on the cultivation of cotton. The scarcity of this staple, and the evident necessity there is for the English demand being supplied from other sources than America, has again given a prominence to the question whether it can be profitably grown in Natal. A large company has been organized in England for this purpose; ground is being broken up by means of steam ploughs; and the colonists are invited by the manager of the company to cultivate it concurrently with other produce on their farms, and seed for the purpose is given to them. One of the largest of the native tribes living near the seat of the Government, and in a locality suited for the growth of the cotton plant, has also been directed by the Government to undertake its cultivation, and this they are willingly doing. There are therefore reasonable expectations that no inconsiderable supply of cotton will soon be obtained, should no unforeseen circumstances arise. The sea-island kind, so far as it has been tested by small patches, grows remarkably well along the line of the sea coast, and the New Orleans and the commoner sorts are found to be best suited for the localities more inland. Seven bales of cotton grown by the natives were sold here two months ago by public auction, and realized 1s. 6d. per pound. A sugar planter on the coast raised last year a crop of ten acres, which it is stated sold for 400*l.*, and this year he has largely extended his plantation. While the cotton fetches its present high price in England there can be little doubt that it would be a most remunerative produce to the planter, but as the high price cannot long continue, it will be when the cotton has fallen to its ordinary value that the problem whether Natal can become a cotton-producing country will be solved. The colonists will have to depend chiefly on Coolie labour. Whatever cotton may be grown by the natives will of course be of their own labour; principally that of their women and children.

Hemp and Flax.—In the Midland Districts of the Colony there is abundance of wild hemp, which springs up as a weed, but no attention worthy of notice has yet been given to it. The growing of flax has recently been undertaken by a gentleman from Belfast, who has imported for its dressing the most improved machinery, and he is very sanguine of succeeding.

Stock Farming.

4. Wool.—The attention of the farmers chiefly engaged in the breeding of stock, such as horses and horned cattle, has been drawn to the value of sheep.

Want of capital, and inexperience in the management of sheep in a new country, have prevented a rapid increase in this class of stock; but as both of these impediments are now being removed, the yearly progress is becoming more marked, and doubts as to the suitability of the Colony for the breeding of sheep have almost, if not entirely, disappeared.

It may be now safely assumed that the greater part of the Midland and Upper Districts are well adapted for sheep, and that consequently, among the other valuable staple exports of the country, wool grown in the Colony will, in a few years, become a large and important item. The number of sheep in the past year, 1862, is given as 122,425; that for the preceding year was 74,499. Many valuable rams and ewes of a superior breed have been imported from England. In the Upper Districts some of the grazing farmers have also commenced the breeding of the Angora goat.

Horses, horned cattle, &c.—With the exception of sheep, now rapidly increasing in numbers, the stock farming is chiefly confined to horses, a few mules, milch cows, and oxen. In former times, when the country now forming Natal was peopled with numerous native tribes, their greatest pride was to own large herds of horned cattle; and the face of the country, covered with almost unbroken pasturage, was thickly dotted with innumerable droves. The native tribes now living in the Colony have still large quantities; and the Dutch boers, who own farms of six or eight thousand acres each and who are graziers rather than agriculturists, possess a large amount of this species of stock. A very serious drawback to the breeding of horned cattle is a disease called lung sickness, which yearly carries off a considerable number. Inoculation is employed as a preventative, but it is generally agreed that for the disease itself there is no cure. When

first introduced into the Colony it committed great ravages, but it is now less common and virulent, and an impression prevails that it will ultimately disappear. Oxen are the only animals used by the colonists for drought; occasionally a waggon drawn by horses or mules is seen, but very rarely. A large quantity of the horned cattle bred in the Colony are therefore employed as draught oxen, and as they fetch a good price the breeder is well remunerated. The richer class of stock farmers have introduced from England, at great cost, valuable bulls and milch cows, which will no doubt soon improve the native breed. Horses are bred by several farmers, and these are also being greatly improved by imported animals. Unfortunately this species of stock has also its peculiar malady; it is called horse sickness, and is stated to be somewhat akin to the lung sickness of the horned cattle. It is a yearly visitant, but does not prevail over two or three months, nor does it extend to all parts of the Colony; it is most fatal on the coast. It was inconsiderable during the past year, and hopes are entertained that with better veterinary skill than the Colony now possesses, and with extended experience, the malady may be overcome. Mules are bred in moderate numbers, and are found to be very valuable. Already a sufficient number of draught oxen are obtained with some difficulty, and as the traffic of the Colony increases, mules will no doubt be used more extensively, as is the case in the Colony of the Cape of Good Hope.

General Farming.

5. This industrial pursuit is chiefly carried on in the midland and upper parts of the Colony, and at present is not very extensive. A large portion of the alienated Crown lands is held by persons for speculation only, and is consequently unproductive; another large portion by the Dutch boers, in farms varying from 4,000 to 8,000 acres; and as these people are averse to agriculture, they, as a general rule, do not cultivate grain and other produce beyond what is needed for their own family use. Except their live stock, the produce brought by these people into the market is chiefly confined to butter and cheese.

Maize, or mealies, forms the staple food of the natives of South Africa, and it is cultivated largely by the tribes in Natal, both for their own use and for sale to the colonists, and is also grown by the farmers. All the grains cultivated in England grow remarkably well in Natal, and there is no impediment to their being extensively cultivated. Wheat is somewhat subject to rust, but not to such an extent as to be any serious drawback, or beyond what experience and skill may control, as in England. What is wanted to give an impetus to the cultivation of grain and other farming vegetable produce is that small class of farmers who, having a limited area of land, and only a small capital, will confine their labours to the cultivation of the soil. A considerable number of this class are now settled around the city of Pietermaritzburg, and they are yearly increasing in number. The high rate of transport will doubtless for many years prevent these small agriculturists from settling in the northern part of the Colony, a market easy of access being to them all important; but as the large farms become divided, and the population is less scattered, and augmented in number, this very useful class of farmers will, there can be no doubt, establish their homesteads at greater distances from the towns. At present Natal exhibits the anomaly of a country capable of producing any amount of grain, and yet being under the necessity of importing its wheat or flour. The quantity of wheat grown in the Colony in the past year is shown by the returns to have been only 4,043 muids.

Mines and Fisheries.

6. The only known mineral in Natal of any value is coal. The wild and broken country forming the immediate base of the Drakensberg may be said to be wholly unexplored, and if metals are at any future time discovered in the country they will most probably be found in that locality. The coal of Natal is of two kinds, anthracite and bituminous, and the latter is proved to be of excellent quality. Unfortunately, however, it is situated in the northern part of the Colony only, and hence the deposits which outcrop in numerous localities have not been considered as of great present value. Recently, they have been examined by a coal-mining engineer from England, and he is so impressed with their value that he has submitted a scheme for the formation of a railway from the port to the coal deposits. At some future time, when the Colony becomes intersected with railways, as it must, the coal of Natal will no doubt become of very considerable commercial value; but whether this future time is near or distant is a question on which, in a report of this kind, it would be unwise to offer an opinion. The bay of Natal, and the whole of the sea along the coast, teems with fish of various kind. The bay is just

within the southern limits of the line in which herrings are found. In 1860 a shoal of these fish entered the bay itself. They are only now seen at the proper season outside. No attention has yet been bestowed upon fishing as an industrial pursuit, nor is it likely that any fisheries will be established until the population of the Colony is largely augmented, and there is greater competition for a livelihood.

Trade, &c.

7. The exports of the Colony for the past year, as already stated, were of the value of 127,228*l.*, while the value of the imports is given as 449,469*l.* This large difference between exports and imports, if considered by the theoretical rules of political economy, would tell against the Colony; but many causes which cannot now be examined satisfactorily account for this unusually large difference. It must be borne in mind that Natal does not import for its own consumption alone; it is estimated that fully one third of the imports are absorbed in its trade with the interior, that the natives of the Colony, upwards of 200,000, who are now becoming considerable consumers of imports, do not at present cultivate articles of export, and that the production of sugar, wool, coffee, and other articles of export, which the Colony is proved to be capable of raising, is yet, comparatively speaking, in its infancy.

Wool.—The chief article of export obtained from the neighbouring Dutch republics is wool. This is yearly increasing. The greater mass of the wool produced in these republics will, without doubt, be drawn to the port of Natal. It is in fact the natural outlet for the produce of those countries.

Ivory, Furs, &c.—The more inland trade which flows into the Colony consists of ivory, ostrich feathers, and fur skins. This trade fluctuates in its comparative yearly value, but exhibits none the less a steady increase.

Banks.

8. The first bank was established in the Colony in the year 1854. Its maximum capital was fixed at 100,000*l.*, but 10,000*l.* was at that time deemed to be a sufficient capital in the first instance for the banking requirements of the Colony. At the present time there are five banks; viz.:—

Natal Bank.—The oldest, incorporated by a local law, having a nominal capital of 100,000*l.*, of which 80,000*l.* is paid up. This bank carries on its business in Pietermaritzburg, and has a branch in D'Urban.

Commercial and Agricultural Bank, incorporated by a local law.—Nominal capital 100,000*l.*, of which 50,000*l.* is paid up. This bank carries on its business in D'Urban, and has a branch bank in Pietermaritzburg.

Colonial Bank of Natal, not incorporated by law.—Nominal capital 50,000*l.*, carries on its business at Pietermaritzburg. No branch bank.

D'Urban Bank.—A private bank, carried on by Messrs. Hartley and Co. at D'Urban; no branch.

The London and South African Bank, incorporated by Royal Charter.—Nominal capital 1,000,000*l.*, of which is subscribed 400,000*l.* Has a branch bank in this Colony at D'Urban.

The Standard Bank of British South Africa, incorporated under the Imperial Limited Liability Act, nominal capital, 2,000,000*l.*, has during the present year opened a branch in D'Urban, and another branch of the bank is also to be opened in Pietermaritzburg.

In consequence of the increased number of banks, and the introduction of capital into the Colony from other sources, the very high value of money which has obtained for many years has now decreased, and the rate of discount charged by the banks has fallen from twelve to eight per cent.

Hitherto money invested and secured by a mortgage on land readily obtained 15 per cent. and 20 per cent., and even higher rates have been obtained in other monetary transactions.

The following Joint Stock Companies also carry on their business in the Colony, viz.:—

The Natal Fire Assurance and Trust Company, established by a local Ordinance in 1854.—This company carries on various branches of business, and acts as a loan and investment society; it also discounts bills to a limited extent.

The Natal Land and Colonization Company.—This company was incorporated under the Imperial Limited Liability Act in 1860. It owns lands to the extent of 247,839 acres. At present it has not introduced into the Colony any immigrants. Its chief operations have been the introduction of capital obtained in England by the issue of debentures,

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and its re-investment by mortgage in the Colony ; and the company has very recently by public advertisement offered to lend money to the coast planters for the purpose of enabling them to bring Coolies from India.

Natal Cotton Company.—This company was recently formed in England, and has already made a very large purchase of land in different parts of the Colony.

It proposes to cultivate cotton on its own account, and to assist with loans of money those farmers and planters who may be willing to undertake the growing of this staple. It is also stated that the company proposes to form coffee plantations. The company has imported steam ploughs and other suitable machinery, and has already commenced the breaking up of the land.

Natal Central Railway Company.—This company proposes to construct a line of railway leading from the port to the seat of Government, provided the Colonial Government will give a guarantee of six per cent. per annum on the outlay. The line has been surveyed, and has been found to be between 70 and 80 miles in length. It has been presumed that it may be constructed for about 600,000*l.*

Owing to the long prevailing want of circulating capital in the Colony, the resort to the money accommodation afforded by the banks has been very extensive, but the precise amount cannot be ascertained. By the annual return made to the Government by the Registrar of Deeds it appears that the mortgages registered in his books at the close of the past year, 1862, were 1,813, amounting in the aggregate to 699,771*l.*; and by the annual report of the Master of the Supreme Court it is shown that there were 50 cases of insolvencies, some for trifling amounts, but, nevertheless, giving in the aggregate a sum of 99,906*l.* Considering the population and the trade of the Colony, this amount must be regarded as very large. No doubt these failures are in a great part to be attributed to over speculation, and the very general system of credit that began with the first settlement of the Colony, and which, once begun, requires much time to get rid of. These insolvencies do not appear to have any serious effect. The individuals who fail soon recover, and in many instances they rise like the Phoenix from its ashes.

Population.

9. The returns in the Blue Book give the white population at 13,990, and the native population at 170,051. This is incorrect. No census has been taken ; but it is probable that the white population is not far short of 18,000 ; and we are aware, from the collection annually made of the native hut tax, which permits a very close approximate estimate to be formed of the number of the coloured people, that the native population is a little over 200,000.

Immigration, European.

10. The scheme under which a limited number of immigrants are introduced each year into the Colony from Great Britain continues to work satisfactorily. Under this plan any individual resident in the Colony may nominate any person whom they may desire to bring out, on giving security for the repayment to the Government of a sum of 10*l.* for each immigrant one year after the arrival of the immigrant, and the Government thereupon provide a passage. The ultimate cost to the Government is about 5*l.* each immigrant. These people being brought out on the application of their friends or relatives already living in the Colony, provision for their employment is generally made previous to their arrival, and they are soon comfortably settled and prosperous. This plan does not introduce a large number of immigrants annually ; but, as has been often stated in other communications, the Colony is not yet in a position to admit the influx of a large number of promiscuous and poor immigrants. The number of immigrants who arrived during the past year, 1862, was about 462.

Coolies from India.

In the years 1859 and 1860 about 1,300 coolies were brought from India, chiefly for the service of the sugar and coffee planters. These have been found of great use, and have given general satisfaction, and the coolies themselves are contented. The cost of their introduction was, however, somewhat large, being upwards of 18*l.* per adult, and this was found to press heavily upon the employers. With the view of relieving the planters from this large and immediate outlay, a law was passed during the last session of the Legislative Council, by which Coolies can be introduced on the payment by each employer of an annual sum of 2*l.* 10*s.* for each coolie during the period of his assignment. By this scheme the planter is not called upon to pay on the arrival of the Coolies a large and burdensome sum of money before he obtains any return from their labour ; the

repayment to the Government by annual instalments permits him to increase the number of his labourers more rapidly at a moderate outlay, and a proportionate impetus is given to the extension of his plantation. Under this law the Government have ultimately to pay a sum of about 4*l.* on each Coolie; but considering the many benefits which the colonists generally derive from this increased supply of useful labour, this payment out of the general revenues on account of each Coolie introduced is considered to be equitable to all parties. During the present year, and under the law above mentioned, a large number of applications have been made to the Government for the introduction of additional coolies; about 500 have already arrived, and a requisition has been made on the Coolie Agent of this Government, resident at Madras, for a total number of about 2,000. It is anticipated that with the progress now being made in the sugar and coffee plantations, 1,000 coolies per annum may for some years be probably required. The general demand for labour necessarily increases with the yearly progress of the Colony. Hitherto this has been met by the labour obtained from the natives, with the exception of the small number of Coolies introduced as above stated in 1859 and 1860, although certainly not to the extent of the wishes of the colonists. The number of natives who now enter into the service of the white inhabitants during each year is estimated at about 20,000, and this number will no doubt increase yearly, as it has hitherto done; but considering that the natives are themselves agriculturists to the extent of their own wants, and even beyond, and that they are most of them owners of cattle, it would be unreasonable to suppose that an unlimited amount of labour can be drawn from them. The ultimate arrangement will no doubt be that the coast planters must carry on their labours chiefly by coolies, and then the more moderate demands of other colonists will be supplied from the natives.

Legislation.

11. Twenty-five laws were passed during the year 1862. Of these seven were financial, regulating the revenue and expenditure of the Colony; three were private laws; and the remaining 15 for general purposes. The objects for which these latter were passed are sufficiently given in the titles enumerated in the table inserted in the Blue Book, and do not call for particular notice in this report.

Public Works.

12. The sum appropriated for the construction and repair of public works is each year increased in amount. The requirements of a young Colony like Natal for this branch of public expenditure is, and will be for years to come, very great, and the amount annually disbursed is only limited by the revenue available for this service. In a former portion of this report the expenditure for the past year for public works has been classified, and exhibits a total of 23,022*l.*, or nearly one quarter of the real revenue of the year. It will be seen that 7,597*l.* has been appropriated for the construction of bridges; 5,773*l.* for the formation and repair of roads; and 4,561*l.* for the building of prisons. The expenditure of 23,022*l.* above mentioned is exclusive of the sum now annually expended in carrying out the improvements of the harbour, estimated at a total of 165,500*l.*, and which is provided for by a loan specially raised for this work.

Education.

13. In 1859 a salaried Superintendent of Education was appointed. Under the very zealous care of this gentleman a regular system has been established, which is working most satisfactorily. A detailed report of this officer is inserted in the Blue Book. 49 public schools, scattered over the Colony, are now in operation. Two of these are strictly Government schools, where children are educated on the payment of a very small fee, and many without any payment; the other schools are supported by subscriptions, and by a Government grant in aid. The average number of pupils at most of this latter class of schools is small, but this arises from the circumstance that the population of the Colony is very scattered, and the consequent impossibility of bringing the children together in larger masses. Amongst the Dutch population in the northern counties, who possess very large farms, and whose homesteads are widely apart, it has been found impossible to have a fixed school even, and hence the expedient has been resorted to of having itinerant teachers, who, under the control of the Superintendent of Education, hold schools, first at one farmer's house and then at another's, to which the various farmers in the neighbourhood send their children, making arrangements with the farmer at whose house the school is temporarily held for their board. A High school has also been recently established in Pietermaritzburg, and is supported at the cost of the Government, the pupils admitted being charged an annual fee of 10*l.* This school has been formed as a

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temporary measure, until the collegiate institutions, for the foundation of which provision was made by a law passed in 1861, shall have been established.

Volunteers.

14. Volunteer cavalry corps have long been established in the Colony. Recently several other corps have been formed, some of which are infantry. There are now nine distinct corps, consisting in the aggregate of 625 men, of whom 300 are cavalry. They are armed with the short Enfield rifle, obtained on loan from the Imperial Government; but as these weapons are not well suited to mounted men, many of the cavalry have, at their own cost, supplied themselves with breech-loading carbines. There is a very general desire that every encouragement should be given to promote and maintain this system of voluntary enrolment, and a sum is annually voted by the legislature for prizes, by which a great impetus has been given to rifle shooting. There is, however, a large number of the colonists who do not join in this movement; and that ardour with which many persons first enrol themselves is found to cool under the routine duties of drill. Time is also very valuable to every colonist, and there is wanting that class of persons, having independent means and adequate leisure, who give such valuable support to the volunteer movement in older countries; and hence the question is often mooted, whether it may not become expedient to pass a militia law, not so much, however, for the purpose of organizing a body of militia as to give support to the volunteer movement, and to assist in maintaining the strength and efficiency of the corps already established.

Mounted Police.

15. In 1861 a law was passed authorizing the formation of an armed and mounted police corps, and under which it was contemplated to raise a body of about 200 men. A corps of this description will no doubt prove of great service, but it would be imprudent at once to incur so great an annual outlay as would be the case were this corps at once raised to its full strength, and hence it has been deemed politic to enlist only a small number, gradually, as the revenues of the Colony will prudently admit to be increased.

A fine body of young men, enlisted from the cavalry and metropolitan police in England, have been obtained, 30 in number. They are well mounted, and armed with the breech-loading Whitworth carbine and revolver pistols. They are maintained under military drill, and in case of need can be employed in conjunction with Her Majesty's troops.

To comment upon the many other branches of the public service, such as hospitals and scientific institutions, postal communications, &c., would greatly extend this report. I will therefore only remark, in conclusion, that each of these have had such improvements made in connexion with them as to keep pace, as far as practicable, with the growing requirements of the Colony. Much, however, remains to be done to place the various institutions of the Colony on a more extended system, which requires both time and greater pecuniary means. In conclusion, it may be remarked that, viewed generally, the position of the Colony continues to be satisfactory, and that there is no reason to doubt that the annual progress hitherto made will continue.

I have, &c.

(Signed) T. SCOTT.

His Grace the Duke of Newcastle, K.G.

&c. &c. &c.

Questions proposed by his Excellency the Lieutenant-Governor, and Answers by the Secretary for Native Affairs, October 16, 1863.

1. What is the present number and condition of the natives inhabiting the Colony of Natal, and what progress of intelligence, or increase of comfort, or decrease of barbarous customs, is perceptible among them?
2. To what extent do the natives confine themselves to their locations?
3. What is the present nature and practical working of the machinery for their government, independently of the administration of justice among them; and how is justice administered?
4. What is their prevailing feeling towards the whites?
5. What bond of union exists between refugees and the native inhabitants of the Colony, and do any of the refugees keep up their relationship with the Zulu country?
6. What is the average annual number of refugees who seek, under ordinary circumstances, an asylum in the Colony; and has that number visibly diminished since the registration system commenced?
7. What were the original powers of the chiefs, and what under the British Government?

Answer to Question 1.—The native population of the Colony of Natal, as estimated from the returns of the hut tax collection of last year, amount to 209,950 souls, and their present condition is such as, taking into account their past, could scarcely be expected from the 17 years of quiet which they have enjoyed. Besides being orderly and obedient to the authority of Government, as they are universally described to be by the magistrates over them, they have made no inconsiderable advance in civilized ideas and habits. A large proportion of the young men go out to service with the whites, to the extent, at least, of 20,000 annually, and the natives generally have adapted themselves with wonderful facility to the mercantile habits of the white colonists. This in itself is a step of no small importance, since it suggests to their minds honest and legitimate modes of acquiring wealth, and consequently it is now common for a native to go to service or enter upon a trading speculation when he finds it necessary to satisfy a want or wishes to indulge a fancy. A remarkable instance of their ready and complete adoption of European notions of trade is to be found in the thorough revolution which their own old system of barter has undergone. Formerly, when, for instance, a cow changed hands among them, the consideration given was recoverable if the animal died within the circle of the seasons; now payment and delivery complete the transaction, as among Europeans.

All their more barbarous customs are modified; the more serious, such as clashed with the supreme authority of a Government, by Government regulation; and others by the natural effect of their contact with civilization, and the altered circumstances caused by their position. Of course there still exists among them habits and customs very much at variance with our civilized ideas, but these are being gradually acted upon and corrected.

The whole of the numerous tribes look to the Government as their supreme head. This was for some time a practical difficulty, while the Government found it impossible to govern them efficiently, except through their own institutions and chiefs, the natives themselves found it difficult to understand that these were but the instruments of a higher power. To accomplish this, time, and perseverance in a course calculated to show it, without unduly shocking their prejudices, have been successful. At an early period the supreme power was declared transferred to the Lieutenant-Governor.

All prerogatives, whether of a more practical or of a merely ceremonial character, peculiarly belonging to independent chiefs, became lawful to those in Natal only by the special permission of the Lieutenant-Governor delegating to them the authority for the occasion. One or two tribes have been broken up, and their chiefs deposed, who perversely disregarded the supremacy of the Government; and now there no longer exists any doubt as to the relative positions of all concerned. As regards their political position, therefore, it is more satisfactory than could have been expected in so short a time, after the violent convulsions their history shows them to have lately undergone.

It has been a received doctrine that they are naturally blood-thirsty and savage in their character, and nomadic in their habits. This belief has evidently originated from the imperfect acquaintance which most white men have with their past history, and from judging by the events which occurred so shortly before their contact with civilization, and the cruel policy still pursued by the Zulu chiefs. No doubt the Zulus show an utter disregard of the value of human life, but investigation has shown that this is a peculiarity which was introduced by Chaka, and was the means used by him to raise the Zulus from an inconsiderable and tributary tribe to the importance it afterwards assumed in South-eastern Africa. Before him the numerous tribes in Natal were neither warlike, bloodthirsty, nor nomadic. They were too closely wedged together either to ramble about or to make war, except on a very small scale. They cannot be held accountable for the misery brought upon them by a series of exterminating invasions, and the dissolution of all natural ties resulting therefrom. Their peculiarity is, that they are essentially an agricultural people, and therefore inclined to obedience and quiet.

Their ideas of comfort are also changed. When their place of residence was doubtful, when property and even life were uncertain, it was the interest of every man to encumber himself with as little personal property as possible. To be ready to fly, and have a safe rock or bush to fly to, were the great objects in times such as most of them had witnessed. Comfort was little thought of; but since their altered condition in respect of security, not only to life but to property, considerations of personal comfort and ornamentation have taken the place of those of mere self-preservation. They have become consumers of manufactured articles to a considerable extent. There is scarcely a man or woman in the Colony who does not contribute indirectly to the revenue, by satisfying some entirely new want. Cotton and woollen goods have supplanted the old skin kaross, and their own rude ornaments have been superseded by the beads and trinkets supplied by civilized commerce. But a greater step than this has been taken, for in their huts are frequently to be found iron and other manufactures suitable for household purposes, also supplied by the white trader.

And while this effect has been produced on the general population, many individuals of them have achieved a much higher position; one in which they compete with the intelligence and skill of the white man. Some, thanks to the training they have received at mission stations or in colonial families, have become skilful artisans; purchasers of landed property, on which many have erected substantial houses; contractors for the erection of buildings for white people, and even employers of white skill itself. They have a full knowledge of the value of money, and evince altogether a great aptitude for a higher class of employment than mere manual labour. Those who have been raised to this extent exhibit a strong desire for the education of their children, because they find the want of it in themselves circumscribes their own exertions; and the remarkable facility with which native children acquire knowledge has been observed by all who have been engaged in their tuition.

The Government has been anxious to encourage habits of industry among the natives, and for this purpose has made grants in aid to mission institutions out of the reserve fund, on condition that it be expended in some kind of industrial training. It has devoted a large expenditure out of this fund to one of these establishments in the erection of a sugar mill, because the land occupied by

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the natives was especially adapted to the cultivation of sugar, but could not be made available from their not possessing the means. It appeared to be a favourable opportunity to encourage steady industry. The natives engaged to cultivate the cane upon lands to which they had already received legal title. Their missionary strongly recommended the expenditure, and the Lieutenant-Governor advanced the necessary sum from the reserve fund for the erection of the mill, receiving a certain proportion of the sugar to cover the expense, and eventually reimburse the fund. Sufficient time has not yet elapsed to warrant a decided opinion as to its success, but so far the natives show a commendable industry in cultivation, and there is every hope that the experiment will be successful. In the meantime three natives at another station, prompted by this example, have formed a co-partnership, and have themselves purchased sugar manufacturing machinery, driven by steam, to erect on land to which they have also received legal title. This last circumstance is most satisfactory, as showing that some of the natives are beginning to see that to hold their position, they must compete with the white man on his own terms, and must help themselves as white men do. Such investments have also politically a strong conservative tendency.

Polygamy is an ancient institution among the native tribes. They say they were created with it, and it is still practised among them. It is a system with which, of necessity, all their laws, customs, habits, and ideas are bound up. It is one which time only can abrogate, because both men and women would equally oppose any violent attempt to destroy it, and morality would suffer more from the effects of such violence than leaving it to the gradual extirpation which natural causes and judicious but indirect measures will most probably soon bring about. The Lieutenant-Governor, in his capacity of supreme chief, has already made serious modifications in regard to it. One is, that every marriage shall be final, as regards the parents of the girl; and the other, that a widow may marry whom she pleases, without reference to her guardian. These are two very important alterations in their old customs, and because they were reasonable the natives have quietly acquiesced in them. Further innovations will undoubtedly be made as opportunity offers, with the view of effectually but judiciously checking polygamy. One of these has for some time been contemplated; that is, to make the legality of every native marriage depend upon a full and clear declaration at the time by the woman of her personal consent. Practically the effect has been the same whenever an appeal for protection has been made to authority; but as yet it has not been thought prudent to base the legality of the marriage upon such specific declaration. The importance of this step will be better understood when it is known that before the British Government took possession of Natal a father had the power of coercing his child, even to the extremity of putting her to death if she disobeyed him in the matter of marriage. Since then, however, no coercion has been allowed, and whenever brought to the notice of the authorities has been punished. The effect of even this check has caused the natives frequently to complain that the women have been made their masters.

Question 2.—To what extent do the natives confine themselves to their locations?

Answer.—The natives inhabiting two thirds of the Colony were alone provided for by locations. Those inhabiting the other third, and perhaps also comprising the same proportion of population, were not so provided for, although they inhabited the country. This arose from the Native Location Commissioners having had their operations suspended by the measures of Sir Harry Smith, Governor of the Cape Colony, on his visit to Natal in 1848, before they had proceeded to recommend land reserves for the natives there residing. The consequence is that south of the Umkomazi river the natives are all residing on Crown lands not as yet specially set apart for them. Surveys have, however, been made, with the view of including these people in the general measure which is being discussed for securing to them their lands.

In other parts of the Colony the natives look upon their locations as their homes, and occupy them fully. There are many also who occupy private farms as tenants, paying rent; and a few inhabit Crown lands, where the operation of the law which prohibits squatting has not reached them, or where they may have been placed, for special reasons, by the Government, such as forming protection against Bushmen depredations upon white farmers.

Question 3.—What is the present nature and practical working of the machinery for their government, independently of the administration of justice among them by the resident magistrates; and how is justice administered?

Answer.—The machinery of native government is in point of fact the system found existing among the natives on the establishment of the Government in Natal, so adapted as to transfer all supreme authority previously enjoyed by independent chiefs to the hands of the Lieutenant-Governor, in his capacity of supreme chief; and to this is added the Secretary for Native Affairs and the several magistrates, the latter in their capacity of administrators of native law. The Secretary for Native Affairs answers, in the native system, to the principal Induna or Prime Minister, and the magistrates to the Indunas or Rulers of Districts, to whom are transmitted all the orders of the supreme chief, through the principal Induna, and by whom all those orders are communicated to the native chiefs and minor native authorities residing within his jurisdiction.

By this system all the efficient machinery of the native system of Government, and which is based upon the wholesome principle of an extended mutual responsibility, is adapted and made available by the Government.

The detail of these authorities is as follows, commencing from the lowest in regular gradation upwards, and each is responsible in the first instance to the authority above him:—

- 1st. The head of a family.
- 2nd. The head of a kraal or village,—a collection of families.
- 3rd. The head of several kraals.
- 4th. The Induna of a territorial division or district, inhabited by a section of a tribe.
- 5th. The principal Induna.
- 6th. The chief of the tribe.

7th. The magistrate of the county or division, in his capacity of native officer.

8th. The Secretary for Native Affairs.

9th. The supreme chief, being the Lieutenant-Governor for the time being.

By means of this gradation an order from the supreme chief is at once systematically and effectually promulgated, and the whole of the native population fully understand the several links which connect them with the same head as that which is acknowledged by their white fellow subjects.

The administration of justice follows the same principle. The native chiefs have the right to adjudicate in all civil cases between members of their own tribes, or where one of them is the defendant in any suit, and to punish for small municipal offences. Their decisions may, however, be appealed against, to the magistrate of the county, and so on upwards, until the question is decided by the Lieutenant-Governor and Executive Council; but it frequently happens that a native will prefer passing his chief, and go at once to the magistrate. The usual practice of the latter is, however, to refer the case back to the chief, in order that he may have the benefit of the native view of the matter, should the case ultimately come before him for judgment.

But all serious criminal charges against natives have for some time past been tried, according to the ordinary criminal law of the Colony, before the Supreme Court, and minor ones between native and native before the magistrates, in their capacity of administrators of native law.

The effect of this arrangement is much more important and is a greater step than its mere statement seems to convey. It required gradual and careful perseverance, and many years have been consumed in attaining the result. It will be observed that by leaving the adjudication of civil disputes between natives themselves to be adjudicated by the chiefs, subject to appeal to the magistrates, a proper and harmless jurisdiction was left in their hands, and the dignity of the chief is saved from any rude shock. Native ideas, if right in such matters, are very much guided by their own peculiar customs and habits, and none are better able to understand these than the chiefs; but where any particular view of the bearing of these customs worked a manifest injustice, felt by the native himself, an appeal to the magistrate would in all probability afford redress, and lead to a modification of the custom, or a correct view of its bearing.

But the removal of all criminal jurisdiction to the hands of responsible officers of Government is in point of fact placing in their hands the whole of the details of native management, and forms the great link between the ordinary institutions of the Government and the native population. It must be observed that all the more serious criminal offences, such as murder, rape, arson, &c., have been transferred to the Supreme Court of the Colony, to be tried under the general criminal law, and in accordance with civilized usages and rules of evidence, in the same manner as if such crimes had been committed by a white man; while minor crimes, if committed by one native on another, are tried by the magistrate under native law.

All cases between black and white, whether criminal or civil, are also tried in the courts of the Colony, in accordance with the law of the white man.

The effect of this is the gradual adaptation of the principles of civilized law to all crime, as well as to all civil disputes. Crimes which no prejudice or custom can justify have been at once made liable before tribunals governed by the highest principles of civilized law, while minor criminal offences, for which probably some extenuation might be found in old habits and customs, have been left to be dealt with by the magistrates under the more convenient native mode of adjudication, rules of evidence, and law.

By such an arrangement the native mind is being year by year educated on questions of right and wrong, and fitted for such modifications and changes in their management as circumstances may require. Without some such process, every alteration would seem to them a rude innovation, and possibly endanger the peace of the Colony, but by means of this cautious advance the administration of justice among them has hitherto been successfully and fully carried out.

Question 4.—What is their prevailing feeling towards the whites?

Answer.—The natives generally continue to look up to the whites as a superior class of beings. A sense of the great benefits conferred on them by their presence is still strong in their minds. They feel that they are protected from the recurrence of such destitution and suffering as so effectually dispersed them a few years ago, and a sense of obligation and gratitude is observable in all the older and more thinking portion of the native population; but there have been occasions, when political agitation has run high among the whites, that apprehension and distrust have very plainly prevailed. Unhappily native questions have chiefly been the subject of such agitation, and the usual accompanying violent and unguarded language has become known to the natives. The effect of this has been a belief that the whites would oppress them were it not for the restraint imposed by the Government. This is the feeling that exists among them as a class.

Individually the relations between the races are as a general rule satisfactory. Those of masters and servants, sellers and buyers, are regulated by wholesome competition, and disputes are settled by the magistrates, on reference to them. Those of landlord and tenant are becoming every day more fully understood and recognized by the natives, so that altogether, except for the distrust caused by political agitation on native questions, the feeling towards the whites is satisfactory.

Question 5.—What bond of union exists between refugees and the native inhabitants of the Colony, and do any of the refugees keep up their relationship with the Zulu country?

Answer.—Very little political danger need be apprehended from refugees, because, as a general rule, they are but members of tribes already in the Colony, and who anciently occupied it. The sudden revolution of 1839–40, that enabled the majority of these tribes to place themselves under the Boers, on land formerly occupied by them or their forefathers, or other special circumstances, probably did not admit of their joining them at the time. The Zulus punish all deserters with death, and

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great vigilance is used to prevent desertions, so that it is usually only on the pressure of some great personal danger that the risk of flight is encountered. The great majority of ordinary refugees are of this class, and between them and the Zulu country there is no relationship of any kind kept up, except, perhaps, a message to a relative left behind, when a safe opportunity should occur to send it.

There is, however, a small class of political refugees between whom there is a bond of union. These were driven into the Colony by the Zulu revolutionary movements of December 1856, and some since. These refugees were the defeated partisans of one of Panda's sons, who contested with Cetywayo the right to the succession. In the battle that decided the question, the defeated son, Umb-alazi, was killed, and a considerable number of men were forced into the Colony. Among them was Umkungo, the brother of the deceased prince, and his mother. Although the refugees from that battle were estimated the first week at 4,000, a large number at once returned to the Zulu country, on hearing of the amnesty granted to their comrades; and the magistrates returns show that only about 500 remained. These have adhered to the young prince and his mother. Among them there is the bond furnished by the presence of Umkungo, and there is reason to believe that by them there is a private relationship kept up with some sections of the Zulus in Zulu land. It is known that Umkungo is Panda's favorite son, and there is little doubt that his presence in this Colony furnishes a hope to a portion of the Zulu people that he will some day be their king.

Between these refugees and the other native inhabitants of the Colony there is, however, no bond of union or sympathy whatever. They fear and dislike the Zulus, and would much rather contribute to their downfall than to the reconstruction of their former power.

Umkungo was a boy about 12 years of age when he entered the Colony with his mother in 1857. He was placed under the care of the Lord Bishop of Natal, and was for several years an inmate of the institution for training native lads established by his Lordship at his residence, near the seat of Government. He made considerable progress in learning to read and write, and is the first Zulu prince who can boast of those accomplishments. He is an amiable fat boy of mild disposition, not likely to create much political trouble, except as the instrument of more designing persons; but his mother, who was Panda's favorite wife, and with whom he at present resides, is a clever intriguing woman, who will not let slip any opportunity for aggrandizing herself and her son.

Question 6.—What is the average annual number of refugees who seek, under ordinary circumstances, an asylum in this Colony, and has that number visibly diminished since the registration system commenced?

Answer.—Including those forced in by political convulsions, the annual average number of refugees, as shown by the magistrates' returns for the last ten years, has been about 600. From what has before been explained on the subject, it will be evident that no such measure as registration could have the effect of preventing the influx of refugees from the Zulu country. There is, in the first place, the attraction of family ties to tempt them through to join their relations, and every favourable opportunity to do this will be taken advantage of; but the great risk to be encountered will limit the attempts to such opportunities. The Zulus never try a man for any alleged offence. It is sufficient that he is accused, and that the chief is persuaded of his being a dangerous or obnoxious subject, or that he intends to desert to Natal. Sanction is then secretly given for his destruction, in which is usually involved that of all his family, and an armed party is sent to carry out the decision. It frequently happens that some intimation of his intended fate reaches him in time to make him brave the risk of escaping, and he succeeds in entering the Colony. Many, however, have been overtaken on the river boundary, and had their wives and children murdered before they could reach the opposite bank, the superior activity only of the men enabling them to escape. Equally desperate is the case of the political refugee. With certain death following him, it is not likely that he would prefer losing his life to the risk of becoming an assigned labourer for three years, whatever his former rank or wealth may have been. There is no doubt that, apart from the attraction of family ties and the incidents of political convulsions, this Government is to the general Zulu population the more popular of the two, and that the effect of the refugee regulations, that is, the return to the Zulu authorities of all cattle brought into the Colony by refugees, on their being demanded, and the registration and assignment of refugees as labourers for three years, has kept up the Zulu power, and prevented flight into this Colony, except upon the most pressing necessity. If these were removed, especially the former of the two, I believe that the Zulu power would very soon crumble to pieces.

Question 7.—What were the original powers of the chiefs, and what under the British Government?

Answer.—The chiefs of tribes originally possessed absolute power over the lives and property of their subjects, and enjoyed all the immunities and privileges of such a position. The only limit to the exercise of this power was the necessity for conciliating public opinion, more or less in proportion to the resources for coercion they might possess in a standing army.

Where this engine did not exist, the most efficient instrument was, accusations of witchcraft. These, skilfully managed, were always sufficiently potent to overthrow the most powerful subject and ruin the most wealthy family. As a political engine, it was stronger and safer than an army, because it secured the concurrence of the people, and in most cases was made to appear to be a reluctant concession to them by the chief, when in point of fact he was the originator of the persecution himself.

Formerly desertion from one chief to another was looked upon as a description of treason, because it weakened and thereby endangered the abandoned tribe.

In the Colony of Natal, however, these things are changed. All the supreme powers are transferred to the safe keeping of the head of the government. Political accusations of witchcraft have long ceased to be made, because there can now be no object in making them. The chiefs have no longer the right of assembling their tribes in arms, except by the direction of the supreme chief. The

removal of persons from one tribe to another, or one locality to another, is now a matter under the direct supervision of the magistrate, acting upon instructions from the seat of government, and the chiefs look upon themselves as the lieutenants of the supreme chief, for the execution of his orders, and for the management of their respective tribes in accordance therewith. I have already said, that the people concur in this arrangement. It is so much gained to them, because the many changes forced upon them by their contact with civilization requires a higher guidance than their chiefs can give; but it would be a mistake to suppose that the sentiment of regard and veneration for the persons and families of their chiefs has been destroyed. They are a practical clever people, and see the necessity for alterations such as have taken place; but they are loyal also, and still venerate the ancient reigning families.

It is they who have really lost as much as their people have gained by the new state of things. They have been stripped of their revenue as well as of their rank and power, and although they continue to discharge important duties for Government, and are indispensable to the good government of their tribes, they have hitherto received no compensation for their losses or services.

Perhaps no more remarkable instances could be mentioned of the ready obedience paid by the natives to the Lieutenant Governor than the effect of the proclamation of the 22nd of November 1862, requiring all natives in the two chief towns of the Colony to wear the European trowsers, and the notification of his wish that the native population generally should cultivate cotton. Both these were innovations and unpopular. Up to the day mentioned in the proclamation the great majority of the natives in these towns wore their usual scanty costume, and failure of obedience was predicted, but on the day mentioned in the proclamation on which it should come in force, and of which only a month's notice was given, every native in both towns appeared dressed as ordered, and so general has been the effect that all natives resorting to the towns may be seen carrying their trowsers ready to put on as soon as they enter the boundaries of the boroughs.

As regards the cotton, they felt a repugnance to cultivate anything not used as food, or akin to food, such as tobacco. They feared it might create new diseases, and had other superstitions objections to it. Notwithstanding these feelings, no sooner was it made clearly known to them that it was the Lieutenant Governor's wish that they should cultivate cotton, than they complied all over the Colony; in some cases zealously, but in most reluctantly. No disease followed, but unfortunately a scarcity of food prevailed, which in itself checked the new occupation; but even this was not attributed to the new plant, as would in former years most certainly have been the case.

By means of the general compliance of the natives in this wish of the Lieutenant Governor, much valuable experience was obtained as to the situation and kind of soil best adapted for cotton cultivation.

At the time of this first experiment there was no market in the Colony for cotton in the seed, so it failed to become an article of trade, and the cultivation languished. Now, however, the state of affairs is different, and the Lieutenant Governor, guided by former experience, has directed one trial near the seat of Government, and occupying a favourable locality, to recommence the cultivation of the plant this season, and they have cheerfully undertaken to do so.

LAGOS.

LAGOS.

No. 13.

No. 13.

COPY of a DESPATCH from Governor FREEMAN to his Grace the Duke of NEWCASTLE, K.G.

(No. .)

MY LORD DUKE,

Royal Crescent, September 5, 1863.

I HAVE the honour to transmit to your Grace herewith a copy of the Blue Book of the Lagos Government for the year 1862.

The fact that it was not prepared until after my departure from Lagos, and the peculiar circumstances and imperfect state of the Local Government during the year 1862, will, I trust, be sufficient excuse for its shortcomings.

I have deemed it useless to append to the Blue Book any lengthened Report, for there being no data of previous years to compare with it the mere details of the organization and expenditure of the Government is all that can be furnished.

I have, &c.

(Signed) HY. STANHOPE FREEMAN.
His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

St. HELENA.

No. 14.

ST. HELENA.

No. 14.

COPY of a DESPATCH from Governor Sir CHARLES ELLIOT to his Grace the Duke of NEWCASTLE, K.G.

(No. 2.)

MY LORD DUKE,

St. Helena, July 8, 1863.

I HAVE the honour to transmit the Blue Book of St. Helena for the year 1862, which I found on my arrival prepared and ready for transmission.

2. Some delay has been occasioned in the preparation of these returns in consequence, as I am informed by the Colonial Secretary, of the pressure of work in his department, and also of the prevalence of an epidemic from which most of the public servants, in common with the rest of the community, had suffered severely.

3. I observe, on a comparison of the book now transmitted with that forwarded for the year previous, that the variations in the returns are slight and unimportant; that the returns of revenue and shipping bear a favourable comparison with former years; and that there are no prominent points calling for any special remark from me; and as my arrival in the Colony is of so recent a date, I will, with your Grace's permission, defer any observations which may occur to me until a future and more fitting opportunity.

I have, &c.

His Grace the Duke of Newcastle, K.G.

(Signed) CHARLES ELLIOT.

&c. &c. &c.

Encl. 1 in No. 14.

Enclosure 1. in No. 14.

COMPARATIVE STATEMENT of the estimated Expenditure of the Island of St. Helena for the Year 1862, and the actual Expenditure of the Year as taken from the Accounts made up from 1st January to 31st December.

Heads of Expenditure.	Estimated Expenditure. £ s. d.	Actual Expenditure. £ s. d.	Decrease Expenditure. £ s. d.	Increase Expenditure. £ s. d.	—
His Excellency the Governor -	2,080 10 0	2,082 18 6	- - -	2 8 6	-
Colonial Secretary and Auditor -	1,300 0 0	1,197 19 5	102 0 7	- - -	1
Colonial Treasurer - - -	640 0 0	532 7 6	107 12 6	- - -	2
Surveyor and Civil Engineer -	1,163 1 8	1,120 3 2½	42 18 5½	- - -	-
Customs - - -	1,623 15 0	1,622 2 9	1 12 3	- - -	-
Post Office - - -	180 0 0	180 0 0	- - -	- - -	-
Supreme Court - - -	1,245 0 0	1,240 0 0	5 0 0	- - -	-
Summary Court - - -	1,344 5 0	1,255 14 0	88 11 0	- - -	3
Ecclesiastical Establishment -	775 1 0	770 12 7½	4 8 4½	- - -	-
Education Establishment -	680 0 0	606 13 8	73 6 4	- - -	4
Medical Establishment -	965 15 0	1,009 12 2	- - -	43 17 2	5
Gaol Establishment -	285 8 0	392 10 6	- - -	107 2 6	6
Militia - - -	1,437 10 0	659 11 3½	777 18 8½	- - -	-
Coroner - - -	- - -	22 18 4	- - -	22 18 4	-
Pensions - - -	969 15 11	345 9 2	624 6 9	- - -	7
Revenue Services (exclusive of Establishment) - - -	16 0 0	19 6 4½	- - -	3 6 4½	-
Administration of Justice -	80 0 0	64 5 0	15 15 0	- - -	-
Hospital (exclusive of Establishment) - - -	980 0 0	644 10 3½	335 9 8½	- - -	8
Police and Gaols (exclusive of Establishment) - - -	435 0 0	638 14 7½	- - -	203 14 7½	9
Rent - - -	49 10 9	49 10 9	- - -	- - -	-
Conveyance of Mails -	2 10 0	- - -	2 10 0	- - -	-
Works and Buildings - -	1,875 15 0	4,419 1 7	- - -	2,543 6 7	10
Roads, Streets, and Bridges -	600 0 0	799 18 10½	- - -	199 18 10½	11
Drawbacks and Refund of Duties -	5 0 0	4 11 6	0 8 6	- - -	-
Special Disbursements -	140 0 0	457 0 0	- - -	317 0 0	12
Special Advances -	- - -	290 0 0	- - -	290 0 0	13
Remittance to Agent General -	- - -	2,100 0 0	- - -	2,100 0 0	14
Total of all heads - £	18,873 17 4	22,525 12 1½	2,181 18 2	5,833 12 11½	

1. Colonial Secretary 150*l.*, drawn in England.
2. Colonial Treasurer 105*l.*, drawn in England.
3. Summary Judge 150*l.*, drawn in England, and an increase of 1*s.* per diem to Police.
4. Head Schoolmaster 100*l.*, drawn in England. Half salary of Assistant Master not drawn for December.

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

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5. Half salary to Colonial Surgeon in 1861.
6. Gaol.—Additional number of overseers of prisoners and increase of pay.
7. Pensions drawn in England.
8. Saving in expense of provisions, &c. from reduced number of patients.
9. Additional number of prisoners.
10. Works and Buildings.—417*l.* additional expenditure for drainage; James Town ditto, 606*l.* repairing colonial property; 1,488*l.* building dwellings for poor; excess, 31*l.* repairing Plantation House.
11. Roads, Streets, &c.—199*l.* additional expenditure in repairs.
12. Special Disbursements.—150*l.* Huts Gate Chapel; 150*l.* purchase of property for militia.
13. Special Advances.—200*l.* advanced American Consul; 45*l.* advanced to Board of Trade; 45*l.* passages of distressed subjects.
14. The payments made by the Agent General are for the following items:

Established Salaries :

	£	s.	d.	£	s.	d.
Secretary	-	150	0	0		
Treasurer	-	131	5	0		
Summary Judge	-	150	0	0		
Colonial Dispenser	-	14	7	6		
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	445	12	6			

Contingencies :

Stationery	-	25	17	8		
Printing Office	-	17	5	5		
Post Office	-	8	0	0		
Militia Clothing	-	844	10	5		
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	895	13	6			

Pensions :

Mr. John Young	-	100	0	0		
Mr. G. W. Melliss	-	164	16	8		
Mr. C. M. Vowell	-	75	0	0		
Mr. E. Gulliver	-	145	0	0		
Mr. H. Kay	-	100	0	0		
Colonel Barnes	-	21	0	0		
Mr. S. F. Pritchard	-	37	10	0		
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	643	6	8			

Special :

London Post Office for pre-paid postage	-	207	12	8		
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Passages Money to St. Helena :

	£	s.	d.
Bishop	-	80	0
Colonial Surgeon	-	80	6
S. Andrews, a distressed native of St. Helena	}	26	8
	<hr/>	<hr/>	<hr/>
	186	14	6

Agency

Postages

-	51	18	8		
-	3	9	2		
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	449	15	0		

2,434 7 8

- 1,201 1 1

£ 3,635 8 9

COMPARATIVE STATEMENT of the estimated Revenue of the Island of St. Helena for the Year 1862, and the Revenue received in that Year, as shown by the Accounts made up from 1st January to 31st December.

Heads of Receipts.	Estimated Revenue.	Revenue Received.	Decrease Receipts.	Increase Receipts.				
<i>Customs.</i>								
Imports	£ 7,500	s. 0	d. 0	£ 1,370	s. 6	d. 4		
Wharfage	3,700	0	0	3,088	0	10		
Tonnage	2,000	0	0	2,384	8	1		
Fees, &c.	600	0	0	550	0	0		
Warehouse Rent	200	0	0	346	17	2		
Permits	60	0	0	87	11	0		
Water	1,200	0	0	1,274	4	8		
Cranage	100	0	0	193	6	6		
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>		
<i>Land Sales.</i>	15,360	0	0	16,794	14	7		
Lands			661	19	2	2,096	13	9
			30	12	6			

ST. HELENA.	Heads of Receipts.	Estimated Revenue.	Revenue received.	Decrease Receipts.	Increase Receipts.
Encl. in No. 14.					
	<i>Land Revenue.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>
Rents of Houses and Lands	- - -	1,200 0 0	1,195 18 2	4 1 10	—
	<i>Auction Duties</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>
	- - -	300 0 0	227 2 1	72 17 11	—
	<i>Licences.</i>				
Wine and Spirits	- - -	650 0 0	775 0 0	- - -	125 0 0
Coffee and Ginger Beer	- - -	65 0 0	38 0 0	27 0 0	—
Game	- - -	35 0 0	60 0 0	- - -	25 0 0
Boats	- - -	300 0 0	342 10 0	- - -	42 10 0
Attorneys	- - -	10 0 0	5 0 0	5 0 0	—
Auctioneers	- - -	10 0 0	20 0 0	- - -	10 0 0
Notaries	- - -	10 0 0	5 0 0	5 0 0	—
Billiards	- - -	20 0 0	- - -	20 0 0	—
		1,100 0 0	1,245 10 0	57 0 0	202 10 0
	<i>Assessed Taxes.</i>				
Carriages, Carts, Horses, and Water	- - -	339 0 0	320 12 6	18 7 6	—
	<i>Postage</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>
	- - -	180 0 0	372 15 2	- - -	192 15 2
	<i>Fines, Forfeitures, and Fees of Courts.</i>				
Judicial	- - -	40 0 0	36 8 0	3 12 0	—
Police	- - -	37 0 0	42 19 8	- - -	5 19 8
Militia	- - -	8 0 0	2 12 6	5 7 6	—
		85 0 0	82 0 2	8 19 6	5 19 8
	<i>Fees of Office</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>	<i>£ s. d.</i>
	- - -	20 0 0	15 4 6	4 15 6	—
	<i>Sale of Government Property.</i>				
Medicines	- - -	10 0 0	18 1 7	- - -	8 1 7
Unserviceable Stores	- - -	5 0 0	26 9 9	- - -	21 9 9
		15 0 0	44 11 4	- - -	29 11 4
	<i>Reimbursements in aid of Expenses.</i>				
Ration Stoppages from Soldiers in Gaol	-	15 0 0	72 4 1	- - -	57 4 1
Work done in Gaol	- -	25 0 0	18 2 2	6 17 10	—
Hospital Stoppages	- -	110 0 0	117 5 3	- - -	7 5 3
Calendars sold	- -	-	-	-	—
		150 0 0	207 11 6	6 17 10	64 9 4
	<i>Special Receipts.</i>				
Portion of Drainage paid by War Department	- - -	300 0 0	- - -	-	300 0 0
Amount refunded by African Schoolmaster	- - -	6 13 4	- - -	-	6 13 4
Deposit on account of Market Building Committee	- - -	113 10 0	- - -	-	113 10 0
Repaid by his Excellency the Governor for work done by Engineer Department	- - -	21 0 0	- - -	-	21 0 0
		441 3 4	- - -	-	441 3 4
£	18,749 0 0	20,977 15 10	834 19 3	3,063 15 1	

Enclosure 2 in No. 14.

ST. HELENA.

ABSTRACT of the RETURNS prepared for the ST. HELENA BLUE Book for 1862.

DETAILED ACCOUNT of REVENUE and EXPENDITURE, 1862.

Revenue.			Expenditure.		
Customs.	£ s. d.	£ s. d.		s. d.	£ s. d.
Imports, Spirits, Wine, Beer, Cords	- - -	8,870 6 4		2,082 18 6	
Wharfage	- - -	3,088 0 10		1,045 10 5	
Permits and Entries	- - -	637 11 0		532 7 6	
Cranage	- - -	193 6 6		1,622 2 9	
Tonnage	- - -	2,384 8 1		1,240 0 0	
Warehouse Rent	- - -	346 17 2			
Water to Shipping	- - -	1,274 4 8			
<i>Licences.</i>			16,794 14 7		
Wine and Spirits	- - -	775 0 0			
Coffee	- - -	30 0 0			
Ginger Beer	- - -	8 0 0			
Game	- - -	60 0 0			
Boats	- - -	342 10 0			
Attornies	- - -	5 0 0			
Auctioneers	- - -	20 0 0			
Notaries	- - -	5 0 0			
<i>Auction Duties</i>	- - -		1,245 10 0		
<i>Direct Taxes.</i>			227 2 1		
Carriages	- - -	48 0 0			
Carts	- - -	41 0 0			
Horses	- - -	56 10 0			
<i>Receipts from other Sources.</i>					
Crown Lands	- - -	1,226 10 8			
Water Rate	- - -	175 2 6			
Hospital	- - -	117 5 3			
Medicines, sold	- - -	17 16 6			
Sheriff's Department for Work done by Prisoners	- - -	18 2 2			
Ration stoppages on account of military prisoners	- - -	72 4 1			
Judicial fines and fees	- - -	82 0 2			
Militia fines	- - -	—			
Fees of office	- - -	15 4 6			
Post office	- - -	372 15 2			
War Department for drainage	- - -	300 0 0			
Amounts refunded	- - -	27 13 4			
Interest on bond for 2,000 <i>l.</i>	- - -	—			
Sale of Government property	- - -	26 14 10			
Amount paid into Treasury by Market Building Committee	- - -	113 10 0			
Do. Widows' Fund	- - -	485 9 8			
			3,050 8 10		
		£	21,463 5 6		
		£	22,993 2 1½		

AREA, Square Miles, 47.—ACRES, { Cultivated - 1,133
Pasture - 7,652 } Number of Acres, 30,300.
Waste - 21,515 }

Inhabited.	Uninhabited.	Population as per Census, 7th April 1861.								1862.			Immigrants and Emigrants landing from Prizes, and being liberated Africans afterwards emigrating to West Indies.				
		Under 20.		Over 20.		Over 60.		Garrison.		Total.		Total of both Sexes.					
		M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	Births.	Deaths.	Marriages.			
376	9	1,415	1,462	1,054	1,288	141	136	760	188	3,370	3,074	6,444	113	162	48	1,614	1,479

REPORTS EXHIBITING THE PAST AND PRESENT

St. HELENA.

DEATHS, 1862.

67	Under 10 Years.								Classified according to Age.								Classified according to Disease.							
	20	30	40	50	60	70	80 and upwards.	Fever.	Dysentery.	Consumption.	Natural Decay.	Teething and Convulsions.	Apoplex and Paralysis.	Bronchitis.	Heart.	Bowels.	Brain.	Cancer.	Others.	Total.				
67	13	33	14	8	5	7	15	16	20	24	12	16	6	5	6	5	3	43	162					

OCCUPATIONS, as per Census, 7th April 1861.

Government Officers.	Professions.	Merchants and Shopkeepers.	Tradesmen and Apprentices.	Farmers and Gardeners.	Boatmen and Fishermen.	Domestics.	Labourers..	Pensioners.	Police.	Disabled and Infirm.	Lunatics.	Occupations not stated.	Children.	Wives and Daughters, Garrison.	Total Males.
Annuitants.	Sempresses.	Laundresses.	Domestics.	Labourers.	Shopkeepers.	School-mistresses.	Nurses.	Disability and Infirm.	Occupations not stated.	Lunatics.	Occupations not stated.	Children.	Wives and Daughters, Garrison.	Total Females.	
26	22	91	245	67	183	167	683	12	10	43	2	118	941	760	3,370
44	237	582	398	77	42	10	61	62	3	423	947	188	-	-	3,074

Total Males and Females - - - 6,444

RELIGION and EDUCATION, 1862.

Denomination.	Religion.				Education.				Scholars.		
	No. of Churches and Chapels.	Places of Worship not separate.	Capacity of Building.	Average Attendance.	Schools.			Males.	Females.	Total.	
Established Church	4	4	1,434	850	5 Government schools			274	93	367	
					3 Benevolent Society			146	81	227	
Protestant Dissenters	1	3	430	310	1 Free school			37	50	87	
					2 Baptist Mission schools			51	89	140	
Roman Catholics	1	—	200	200	1 Garrison school			54	41	95	
Total	6	7	2,064	1,360	2 Private schools			—	30	30	
					Total			562	384	946	

JUDICIAL, 1862.

Supreme Court.				Police Cases.								Seamen.			
Felony.	Misde-meanor.	Civil Cases.	Drunk and Disorderly.	Assaults.	Petty Theft.	Vagrant.	Miscellaneous.	Drunk and Disorderly.	Refusing Duty.	Total.					
7	2	2	133	41	13	5	80	40	57	369					

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

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CLASSIFIED RETURN of CONVICTIONS before the MAGISTRATES.

ST. HELENA.

Description.	Drunk and disorderly.	Assaults.	Petty Theft.	Vagrancy.	Malicious Trespass.	Nonpayment of Rates.	Militia Fines.	Breach of Highway Regulations.	Selling Wine without Licence.	Refusing Seaman's Duty.	Refractory in Gaol.	Leaving Family chargeable.	Others.	Total.
Inhabitants - - -	122	30	11	5	9	19	8	12	2	—	—	3	4	225
Africans - - -	10	1	1	—	—	—	—	—	—	57	—	—	2	14
Seamen - - -	40	8	1	—	3	—	—	—	—	—	18	—	—	106
Soldiers - - -	1	2	—	—	—	—	—	—	—	—	—	—	—	24
Total - - -	173	41	13	5	12	19	8	12	2	57	18	3	6	369

CLASSIFIED RETURN of PRISONERS in GAOL during 1862.

Sex, &c.	Assaults.	Stealing.	Vagrant.	Drunk and disorderly.	Non-payment of Fines.	Remands.	Refusing Seaman's Duty.	Convicted for Trial.	Military Courts Martial.	Total.
Male - - - -	8	15	1	21	28	3	14	3	16	109
Female - - - -	2	—	2	11	12	—	—	—	—	27
Total - - - -	10	15	3	32	40	3	14	3	16	136
British - - - -	5	2	1	1	5	—	10	—	16	40
Foreign - - - -	—	—	—	—	—	—	4	—	—	4
Native - - - -	5	13	2	31	35	3	—	3	—	92
Total - - - -	10	15	3	32	40	3	14	3	16	136

RETURN of CASES treated in the CIVIL HOSPITAL, 1862.

—	Fevers.	Disease of Chest.	Disease of Bowels.	Surgical Cases.	Others.	Total.	Observations.
Remained and admitted - -	15	23	42	93	73	246	Daily expense of patients, including servants' wages, of 4s. 3½d.
Discharged - - -	15	12	24	87	67	205	Daily average of sick, 15 ¹¹ / ₃₅ .
Died - - - -	—	11	13	5	5	—	Total number of diets, 5,496.
Remaining, 31st December 1862	—	—	5	1	1	7	

RETURN of FRIENDLY SOCIETIES.

Widows' and Orphans' Fund.	Benevolent Society.	Life Assurance.	Benefit Society.	Mechanics' Society.	Social Society.	Poor Society.	Annuity Fund.
9 Subscribers.	28 Subscribers.	—	22 Members.	250 Members.	90 Members.	304 Members.	9 Widows.
43 Annuitants.	227 Scholars.	—	—	16 Widows.	16 Widows.	—	—

NUMBER of BIRTHS, MARRIAGES, and DEATHS registered in each of the Years 1860, 1861, and 1862.

Years.	Births.	Marriages.	Deaths.	Abstract of Deaths, 1862.	Remarks.
1860	149	44	193	10 years and under 67 20 do. 13 30 do. 33 40 do. 14 50 do. 8 60 do. 5 70 do. 7	The total number of Births, as ascertained from the Census for five years to 7th April 1861, amount to 1,149, out of which 330 had died before the day of the Census and 819 were surviving.
1861	103	46	211	80 years and upwards 15	
1862	113	48	162	162	The average number of Births would be 229½ annually.

REPORTS EXHIBITING THE PAST AND PRESENT

ST. HELENA.

NUMBER of SCHOOLS and SCHOLARS in each of the Years 1860, 1861, and 1862.

Year.	Schools.				Scholars.			
	Gort.	Garrison.	Others.	Total.	Gort.	Garrison.	Others.	Total.
1860	—	—	—	12	—	—	—	968
1861	5	2	9	16	382	99	519	1,000
1862	—	—	—	—	—	—	—	—

Centesimal proportion of Children between 6 and 12 years attending Schools in 1861, as per Census, - 83.

NUMBER and TONNAGE of VESSELS ENTERED and CLEARED from and to each COUNTRY in each of the Years 1861 and 1862.

Countries.	Entered.				Cleared.				
	1861.		1862.		1861.		1862.		
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	
United Kingdom	-	12	2,938	17	5,823	16	10,992	14	9,584
British Possessions	-	140	92,325	142	94,500	11	4,463	23	7,535
France	-	—	—	—	—	—	—	—	—
Holland	-	—	—	—	—	—	—	—	—
United States	-	1	263	—	—	3	1,080	2	426
Foreign States	-	55	33,933	51	29,247	10	2,361	9	2,375
S. W. Fishery	-	29	7,629	39	10,290	—	—	—	—
Total	-	237	137,088	249	139,860	40	18,896	48	19,920

NUMBER and TONNAGE of BRITISH and FOREIGN VESSELS ENTERED and CLEARED from and to each COUNTRY with CARGOES and in BALLAST, in the Year 1862.

	Entered.						Cleared.						
	With Cargoes.		In Ballast.		Total.		With Cargoes.		In Ballast.		Total.		
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	
BRITISH.													
United Kingdom	-	17	5,823	—	—	17	5,823	11	8,944	2	331	13	9,275
British Possessions	-	109	76,857	—	—	109	76,857	16	6,304	7	1,231	23	7,535
United States	-	—	—	—	—	—	—	1	87	—	—	1	87
Foreign States	-	23	13,364	—	—	23	13,364	1	364	4	918	5	1,282
S. W. Fishery	-	—	—	—	—	—	—	—	—	—	—	—	—
	149	96,044	—	—	149	96,044	29	15,699	13	2,480	42	18,179	
FOREIGN.													
United Kingdom	-	—	—	—	—	—	1	309	—	—	—	1	309
British Possessions	-	33	17,643	—	—	33	17,643	—	—	—	—	—	—
United States	-	—	—	—	—	—	1	339	—	—	—	1	339
Foreign States	-	28	15,883	—	—	28	15,883	4	1,093	—	—	4	1,093
S. W. Fishery	-	39	10,290	—	—	39	10,290	—	—	—	—	—	—
	100	43,816	—	—	100	43,816	6	1,741	—	—	6	1,741	
TOTAL OF BRITISH AND FOREIGN.													
United Kingdom	-	17	5,823	—	—	17	5,823	12	9,253	2	331	14	9,584
British Possessions	-	142	94,500	—	—	142	94,500	16	6,304	7	1,231	23	7,535
United States	-	—	—	—	—	—	—	2	426	—	—	2	426
Foreign States	-	51	29,247	—	—	51	29,247	5	1,457	4	918	9	2,375
S. W. Fishery	-	39	10,290	—	—	39	10,290	—	—	—	—	—	—
Total British and Foreign	-	249	139,860	—	—	249	139,860	35	17,440	13	2,480	48	19,920

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

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NUMBER and TONNAGE of VESSELS of each NATION ENTERED and CLEARED in each of the Years
1861 and 1862.

ST. HELENA.

Nationality of Vessels.	Entered.				Cleared.			
	1861.		1862.		1861.		1862.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
United Kingdom -	136	87,319	140	94,641	26	15,226	34	16,711
Colonial -	5	858	9	1,403	3	484	8	1,468
American -	49	23,824	60	24,095	4	1,416	4	1,342
Belgian -	1	444	—	—	—	—	—	—
Brazilian -	1	230	—	—	—	—	—	—
Bremen -	2	1,817	1	416	—	—	—	—
Danish -	—	—	1	309	—	—	1	309
Dutch -	15	9,236	15	9,584	1	665	—	—
French -	6	3,074	9	4,677	—	—	—	—
Hamburg -	5	874	6	1,434	3	408	—	—
Italian -	—	—	1	484	—	—	—	—
Norwegian -	2	1,037	1	426	—	—	—	—
Oldenburgh -	1	856	—	—	—	—	—	—
Portuguese -	1	135	—	—	1	135	—	—
Siamese -	—	—	1	315	—	—	—	—
Spanish -	7	5,910	3	1,235	—	—	1	90
Swedish -	6	2,474	2	841	2	562	—	—
Total -	237	137,088	249	139,860	40	18,896	48	19,920

NUMBER and TONNAGE of VESSELS of each NATION ENTERED and CLEARED with CARGOES and IN BALLAST in the Year 1862.

Nationality of Vessels.	Entered.				Cleared.			
	With Cargoes.		In Ballast.		Total.		With Cargoes.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
United Kingdom -	140	94,641	—	—	140	94,641	25	14,948
Colonial -	9	1,403	—	—	9	1,403	4	751
American -	60	24,095	—	—	60	24,095	4	1,342
Bremen -	1	416	—	—	1	416	—	—
Danish -	1	309	—	—	1	309	1	309
Dutch -	15	9,584	—	—	15	9,584	—	—
French -	9	4,677	—	—	9	4,677	—	—
Hamburg -	6	1,434	—	—	6	1,434	—	—
Italian -	1	484	—	—	1	484	—	—
Norwegian -	1	426	—	—	1	426	—	—
Siamese -	1	315	—	—	1	315	—	—
Spanish -	3	1,235	—	—	3	1,235	1	90
Swedish -	2	841	—	—	2	841	—	—
Total -	249	139,860	—	—	249	139,860	35	17,440
							13	2,480
								48
								19,920

TOTAL VALUE of IMPORTS and EXPORTS in each of the Years 1861 and 1862.

		1861.		1862.	
		Imports	-	-	127,850
		Exports	-	-	9,337
					137,983
					16,186

TOTAL VALUE of IMPORTS and EXPORTS from and to each COUNTRY in each of the Years 1861 and 1862.

	Countries.	Imports.		Exports.	
		1861.	1862.	1861.	1862.
United Kingdom -	-	77,708	80,098	3,931	2,487
British India -	-	7,329	15,751	213	—
Cape of Good Hope -	-	29,117	26,374	440	926
Africa -	-	—	1,862	—	3,697
United States -	-	4,367	3,168	4,269	8,080
Other Countries -	-	4,191	1,717	484	996
S. W. Fishery -	-	5,138	9,013	—	—
Total -	-	127,850	137,983	9,337	16,186

ST. HELENA.

TOTAL QUANTITIES and VALUE of PRINCIPAL ARTICLES IMPORTED in each of the Years 1861 and 1862.

Principal Articles.	Quantities.		Value.	
	1861.	1862.	1861.	1862.
Animals (living) :				
Oxen - - -	No. 445	361	£ 4,415	£ 4,360
Sheep - - -	Hhds. 2,764	2,720	3,644	4,422
Beer - - -	Doz. qts. 41	166	—	—
Beer - - -	Bags 9,542	8,834	4,209	788
Beans and Pease - - -	Casks 615	508	1,002	712
Beef and Pork - - -	Bags and Casks 1,414	1,955	7,722	10,641
Biscuit - - -	Cwts. 1,645	3,801	2,297	4,727
Bone - - -	No. —	15	—	180
Boats - - -	Kegs 641	723	2,559	2,936
Butter - - -	Boxes 456	552	1,784	2,984
Candles - - -	Casks 514	616	641	1,095
Cement and Lime - - -	Tons 353	645	680	1,069
Coals - - -	Cases 1,628	521	2,884	1,580
Confectionery - - -	Bags —	148	—	736
Coffee - - -	Cases and Bales 27	115	1,880	2,537
Furniture - - -	Packages 74	163	765	871
Flour and Meal - - -	Bags and Casks 4,449	4,650	8,505	8,831
Grain - - -	Bags 4,292	4,197	4,287	3,642
Gram - - -	" 407	638	435	590
Haberdashery, &c. - - -	Cases 334	283	14,241	10,618
Hulls of Vessels, Tackle, &c. - - -	No. 6	5	1,052	701
Iron - - -	Tons —	174	—	2,260
Ironware - - -	Packages 1,135	638	1,337	2,716
Naval Stores - - -	" 267	488	1,618	1,591
Oil - - -	Casks 209	304	5,138	9,214
Oilman's Stores - - -	Cases 518	581	1,803	1,749
Onions - - -	Bags and Casks 603	349	356	242
Painters' Colours - - -	Packages 161	111	633	362
Potatoes - - -	Bags and Baskets 602	625	556	540
Rice - - -	Bags 5,469	11,708	5,283	9,597
Shoes and Boots - - -	Trunks 132	98	3,273	1,812
Soap and Starch - - -	Boxes 385	957	1,009	2,185
Soldiers' Necessaries - - -	Bales and Cases —	64	—	1,325
Sugar - - -	No. of Bags 809	4,007	1,436	5,906
Spirits - - -	Gallons 5,814	5,351	2,132	2,463
Tea - - -	Boxes 377	543	1,655	1,725
Table Stores - - -	Packages 1,205	645	4,400	2,395
Tobacco - - -	Boxes 220	227	1,266	1,316
Timber - - -	Cubic feet 18,020	19,859	1,901	1,833
Woollens - - -	Bales 99	222	1,610	2,114
Wine - - -	Gallons 78,273	70,020	10,698	11,061

QUANTITIES and VALUE of PRINCIPAL ARTICLES IMPORTED from VARIOUS COUNTRIES in the Year 1862.

Principal Articles.	Countries whence imported.	Quan-ti-ties.	Value.	Principal Articles.	Countries whence imported.	Quan-ti-ties.	Value.
Animals (living) : Oxen - - -	Cape of Good Hope No. Africa (W.C.) - - "	307 54	£ 3,930 430	Biscuit - - -	United Kingdom { Bgs. & Casks } Cape of Good Hope " Africa (W. C.) - - " United States - - "	2,880 446 148 327	3,731 453 92 451
Sheep - - -	Cape of Good Hope "	2,720	4,422	Bone - - -	S. W. Fishery - Cwt.	15	180
Beer - - -	United Kingdom Hhds.	166	788	Boats - - -	Africa (W. C.) - No. United States - - "	4 12	39 79
Beer - - -	United Kingdom Doz. qts.	8,834	3,857	Butter - - -	United Kingdom - Kegs Other Countries - "	707 16	2,899 37
Beans and Pease - - -	United Kingdom - Bags Africa (W. C.) - - " United States - - "	319 169 20	579 96 37	Candles - - -	United Kingdom - Boxes Cape of Good Hope " United States - - "	524 17 11	2,872 82 30
Beef and Pork - - -	United Kingdom Casks Cape of Good Hope " Africa (W. C.) - - " United States - - " Other Countries - - "	1,491 124 36 233 71	8,566 583 78 1,171 243				2,984

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

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Principal Articles.	Countries whence imported.	Quantities.	Value.	Principal Articles.	Countries whence imported.	Quantities.	Value.	ST. HELENA
Cement and Lime	United Kingdom - Casks Cape of Good Hope "	436 180 —	£ 635 460 1,095	Oilman's Stores	United Kingdom { Pkgs. & Cases British India - Cape of Good Hope "	525 29 27 —	1,564 110 75 1,749	
Coals	United Kingdom - Tons	645	1,069					
Confectionery	United Kingdom - Cases British India - Cape of Good Hope " United States - Other Countries - "	143 2 342 13 21	781 10 721 36 32	Onions -	United Kingdom { Bags & Bskts. British India - Cape of Good Hope " United States - "	20 24 297 8	25 6 196 15	
Coffee	Cape of Good Hope - Bags United States - Other Countries - "	128 2 18	675 4 57	Painters' Colours	United Kingdom - Pkgs.	111	362	
Cottons and Linens	United Kingdom { Cases & Bales	115	2,537	Potatoes	United Kingdom { Bags & Bskts. British India - Cape of Good Hope " Africa - Other Countries - "	253 20 81 238 33	193 20 80 221 26	
Furniture	United Kingdom - Pkgs. Cape of Good Hope " Other Countries - "	138 15 10	808 58 5	Rice -	British India - Cape of Good Hope - Africa - United States - Other Countries - "	11,105 355 163 55 30	9,086 348 115 18 30	
Flour and Meal	United Kingdom { Bags & Casks Cape of Good Hope " Other Countries - " United States - "	3,421 1,105 124	7,148 1,398 284	Shoes, Boots &c. -	United Kingdom -	98	1,812	
Grain	United Kingdom - Bags British India - Cape of Good Hope "	489 1,736 1,972	582 1,094 1,966	Soldiers' Necessaries	United Kingdom { Bales & Cases	64	1,325	
Gram	British India - "	638	590	Soap and Starch	United Kingdom - Boxes British India - Cape of Good Hope " United States - "	856 9 64 28	2,073 20 60 32	
Haberdashery, Hosiery, and Millinery	United Kingdom - Cases	283	10,618	Sugar -	United Kingdom { Cks. & Bags Cape of Good Hope " Other Countries - " British India - "	75 597 3,335	421 1,125 4,360	
Hulls of Vessels, Tackle, &c.	Africa - - No.	5	701	Spirits -	United Kingdom - Galls.	5,351	2,463	
Iron	United Kingdom - Tons	174	2,260	Tea -	United Kingdom - Boxes Cape of Good Hope " Other Countries - "	346 84 113	1,354 117 254	
Ironware	United Kingdom - Pkgs. Cape of Good Hope " United States - " Africa - - "	619 17 2 —	2,633 77 6 —	Table Stores -	United Kingdom - Pkgs. British India - Cape of Good Hope " Africa - United States - Other Countries - "	444 3 31 47 89 31	1,957 8 110 95 183 42	
Naval Stores	United Kingdom - " Africa - - " United States - " Other Countries - "	426 29 27 6	1,489 31 51 20	Tobacco -	United Kingdom - Boxes British India - Cape of Good Hope " United States - "	90 1 37 99	366 12 426 512	
Oil	United Kingdom - Casks Africa - " S. W. Fishery - "	29 43 232	130 251 8,833			—	2,395 1,316	
			—					
			9,214					

REPORTS EXHIBITING THE PAST AND PRESENT

ST. HELENA.

Principal Articles.	Countries whence imported.	Quantities.	Value.	Principal Articles.	Countries whence imported.	Quantities.	Value.
Timber -	United Kingdom C. Feet British India Cape of Good Hope Africa United States Other Countries	6,843 9,523 2,588 420 440 45	874 380 456 80 37 6	Woollens	United Kingdom - Bales Cape of Good Hope Africa Other Countries	4,925 64,948 36 111	£ 3,110 7,925 2 24
		—	1,833			—	11,061
Woollens	United Kingdom - Bales	222	2,114		Total Value of Principal and other Articles	—	137,983

TOTAL QUANTITIES and VALUE of PRINCIPAL ARTICLES EXPORTED in each of the Years 1861 and 1862.

Principal Articles.	Quantities.		Value.	
	1861.	1862.	1861.	1862.
Animals (living) Horses - No.	—	2	£	60
Books - Case	—	5	—	150
Bone - Cwt.	—	15	—	180
Casks - No.	809	1,386	460	846
Cottons - Bales	—	158	—	2,701
Earthenware and Glass - Casks and Cases	—	62	—	242
Forage - Bales	—	25	—	56
Hides - No.	503	510	195	245
Hoops and Headings - Packages	—	272	—	156
Ironware - "	—	12	—	60
Ironware - "	—	20	—	260
Ironmongery - Casks	—	18	—	82
Naval Stores - Packages	20	140	500	540
Oil - Casks	120	165	4,369	7,960
Skins - Bales	—	42	—	149
Tanks, Iron - No.	52	82	210	270
Wool - Bales and Bags	76	44	385	249
Copper and Composition - Bales	262	223	2,222	1,777

QUANTITIES and VALUE of PRINCIPAL ARTICLES EXPORTED to VARIOUS COUNTRIES in the Year 1862.

Principal Articles.	Countries to which exported.	Quantities.	Value.	Principal Articles.	Countries to which exported.	Quantities.	Value.
Animals (living) Horses -	Other Countries - No.	2	£ 60	Ironware -	Cape of Good Hope Pkgs.	12	60
Books -	Cape of Good Hope Cases	5	150	Ironmongery -	Other Countries - Casks	20	260
Bone -	United States - Cwt.	15	180	Naval Stores -	Cape of Good Hope Pkgs.	18	82
Casks -	Cape of Good Hope No.	803	579	Oil -	Other Countries - "	4	40
Copper and Composition -	Africa - "	458	201	Skins -	United States - Casks	136	500
Cottons -	Other Countries - "	125	66	Tanks, Iron -	Other Countries - "	159	7,900
Earthenware and Glass -	United Kingdom - "	180	1,577	Wool -	United Kingdom - Bales	6	60
Forage -	Africa - "	43	200		Cape of Good Hope - "	41	135
Hides -	Africa - Bales	158	2,701		United Kingdom - No.	1	14
Hoops, Staves, and Headings -	Cape of Good Hope { Cks. & Cases }	8	7		United Kingdom { Bales & Bags }	82	270
	Africa -	54	235		Africa - "	36	240
	Cape of Good Hope Bales	25	56			8	9
	United Kingdom - No.	510	245	Total Value of Principal and other Articles	—	16,186	
	Africa - Pkgs.	247	106				
	Other Countries - "	25	50				

RATE of CUSTOMS DUTY imposed upon PRINCIPAL ARTICLES, and Amount thereof received, in each of the Years 1861 and 1862.

Principal Articles.	Rate.	Amount.	
		1861.	1862.
Beer -	10s. per hhd. 6d. per doz.	11th July 1839	£ s. d.
	-	-	141 15 0
Spirits -	10s. per gall	11th July 1839	2,169 5 0
Wine -	1s. 9d. per gallon	21st February 1853	6,356 18 4
			284 18 6
			2,423 0 0
			6,230 17 6

RETURN of VESSELS, distinguishing those which have paid and those which have not paid
Port charges.

ST. HELENA.

Merchant vessels of all nations paying fees and tonnage duty during
the year ended 31st December 1862 - - - - -

967

Merchant vessels of all nations not paying fees and tonnage duty
during the same period; viz.:—

Vessels not anchoring	-	-	-	-	-	-	48
Mail steamers	-	-	-	-	-	-	12
Whalers, &c. returning within three months	-	-	-	-	-	-	18
Government transports	-	-	-	-	-	-	4
Slave vessels	-	-	-	-	-	-	9
Exempt by special order	-	-	-	-	-	-	1

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Vessels of war during the same period:—

English	-	-	-	-	-	-	12
Dutch	-	-	-	-	-	-	1
French	-	-	-	-	-	-	10
Prussian	-	-	-	-	-	-	2
Russian	-	-	-	-	-	-	2

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Total shipping of every description - - - - -

1,086

GENERAL ABSTRACT of VESSELS which have touched at this Port from 1st January to the
31st December 1862.

Nation.	Steamers of War.	Sailing Vessels of War.	Government Transports.	Mail or Mer- chant Steamers.	Whalers.	Sail- ing Mer- chant Vessels.	Total.	Tonnage.			Total Tonnage.
								Sailing Merchant Vessels.	Mail, or Merchant Steamers.	Whalers.	
British	-	11	1	1	15	—	588	374,308	11,990	—	386,298
American	-	—	—	2	—	72	79	153	65,111	—	24,412
Belgian	-	—	—	—	—	—	1	1	875	—	—
Brazilian	-	—	—	—	—	—	—	—	—	—	—
Bremen	-	—	—	—	—	—	6	6	3,990	—	3,990
Danish	-	—	—	1	—	—	6	7	1,778	—	1,778
Dutch	-	1	—	—	—	127	128	75,885	—	—	75,885
French	-	5	5	—	—	—	106	116	46,570	—	46,570
Hamburg	-	—	—	—	—	—	26	26	8,630	—	8,630
Hanoverian	-	—	—	—	—	—	—	—	—	—	—
Italian	-	—	—	—	—	—	2	2	1,234	—	1,234
Mecklenburgh	-	—	—	—	—	—	—	—	—	—	—
Norwegian	-	—	—	—	—	—	5	5	2,183	—	2,183
Oldenburgh	-	—	—	—	—	—	—	—	—	—	—
Portuguese	-	—	—	—	—	—	1	1	318	—	318
Prussian	-	2	—	—	—	—	3	5	1,749	—	1,749
Russian	-	2	—	—	—	—	4	6	2,761	—	2,761
Sandwich Islands	-	—	—	—	—	—	—	—	—	—	—
Siamese	-	—	—	—	—	—	2	2	665	—	665
Slavers, Nation unknown	-	—	—	—	—	—	9	9	—	—	—
Spanish	-	—	—	—	—	—	13	13	6,703	—	6,703
Swedish	-	—	—	—	—	—	18	18	8,648	—	8,648
Total	-	21	6	4	15	72	968	1,086	600,908	11,990	[24,412]
											637,310

ST. HELENA.

AVERAGE PRICES OF PRODUCE AND MERCHANDISE.

	£	s.	d.		£	s.	d.		£	s.	d.
Wheaten flour, per barrel	3	0	0		Beef	-	per lb.	0	1	0	to 0
Wheaten bread per lb.	0	0	3		Mutton	-	"	0	1	0	to 0
Horned cattle - each	10	0	0 to 20	0	Pork	-	"	0	0	10	to 0
Horses - "	15	0	0 to 70	0	Rice	-	"	0	0	2	
Sheep - "	1	10	0 to 3	0	Coffee	-	"	0	1	6	
Goats - "	0	15	0		Tea	-	"	0	2	0	to 0
Swine (alive) - per lb.	0	0	7 to 0	0	Sugar	-	"	0	0	3	to 0
Milk - per quart	0	0	4 to 0	0	Salt	-	"	0	0	1	½
Butter (fresh) - per lb.	0	2	6		Wine (Cape) - per gallon	0	6	0			
Butter (salt) - "	0	2	0		Brandy	-	"	1	10	0	
Cheese - "	0	2	0		Beer	-	per quart	0	1	3	
Tobacco - "	0	2	0								

WAGES FOR LABOUR.

	£	s.	d.		£	s.	d.
Domestic, with food	-	-	-	per month	1	0	0
Predial, without food	-	-	-	per diem	0	2	0
Trades	-	-	-	"	0	5	0
						to 0	10 0

LIBERATED AFRICAN DEPARTMENT, 1862.

	£	s.	d.
Pay of officers and overseers	-	-	-
Provisions	-	-	-
Clothing	-	-	-
Works and repairs at the station	-	-	-
Miscellaneous, including fuel, medicines, stores, &c.	-	-	-
	1,670	16	8
	9,587	14	1
	2,482	13	2
	324	0	3
	762	8	9
	14,827	12	11

NUMBER OF AFRICANS landed and emigrated.

Landed from captured slavers	-	-	-	-	1,614
Emigrated to West Indies	-	-	-	-	1,479

NUMBER OF AFRICANS on charge on 1st of each month.

January	-	-	-	585		July	-	-	-	667
February	-	-	-	891		August	-	-	-	933
March	-	-	-	729		September	-	-	-	843
April	-	-	-	444		October	-	-	-	651
May	-	-	-	425		November	-	-	-	637
June	-	-	-	404		December	-	-	-	617

AUSTRALIAN COLONIES AND NEW ZEALAND.

NEW SOUTH
WALES.

No. 15.

NEW SOUTH WALES.

No. 15.

COPY of a DESPATCH from GOVERNOR the Right Honourable Sir JOHN YOUNG to his Grace the DUKE of NEWCASTLE, K.G.
(No. 91.)

MY LORD DUKE, Government House, Sydney, October 19, 1863.
I HAVE the honour to forward herewith the Statistical Register of New South Wales for the year 1862.

2. The Report of the Registrar General which is prefixed contains remarks in illustration of the various tables, which will be found easy for reference, and exhibiting a complete view of the state and progress of the Colony.

I have, &c.
His Grace the Duke of Newcastle. (Signed) JOHN YOUNG.
&c. &c. &c.

Encl. in No. 15.

Enclosure in No. 15.

STATISTICAL REGISTER, 1862.

Registrar General's Report to the Hon. the Colonial Secretary.

SIR, Registrar General's Office, Sydney, September 24, 1863.
Introductory. THE volume of statistics for the year 1862, to which this report is prefixed, differs from former volumes in this, that it is confined exclusively to tabular statements. Hitherto it has been customary to include in the "Statistical Register" a great deal of matter altogether foreign to statistics, and improperly placed in a volume designated by that name. I have, therefore, under your sanction, separated the nominal returns of the Civil, Ecclesiastical, and Military Establishments from the statistical returns, and presented them to you in a distinct volume, copies of which, under the name of the "Blue Book," were placed upon the tables of the two Houses of Parliament on the 9th July last.

Classification of the Tables. 2. I propose to offer a few remarks on the tables embraced in this volume, in explanation of their general arrangement, and in illustration of the results which they exhibit.

The Tables will be found classified under seven heads or parts:—

Part I. embraces those returns which relate to Population and Vital Statistics.

Part II. To Religion, Education, and Crime.

Part III. To Trade and Commerce.

Part IV. To Mills and Manufactures.

Part V. To Production (Mining, Pastoral, and Agricultural).

Part VI. To Monetary and Financial Matters.

Part VII. embraces a number of miscellaneous returns, not properly coming under any of the six previous heads.

The arrangement of the different returns under the foregoing heads will, it is hoped, be found natural, and easy for reference.

3. The returns are preceded by a table of contents, and by a copious index, to which is added, a table exhibiting a complete statistical view of the progress of the Colony from the year 1821 to 1862 inclusive, compiled from authentic records.

It is to be regretted that this table cannot safely be carried further back. The defective state of the public records relating to the earlier period of the Colony's history present insuperable obstacles to the compilation of reliable returns previous to the year 1821.

Fragmentary statistics may be gathered from the books of early historical writers; but as I cannot authenticate them by reference to official data it is thought better not to admit them into the table.

PART I.

Population, Immigration, &c.

4. The tables classified under this head embrace all those returns which refer to the number, condition, and progress of the people, to the rates of wages, and prices of provisions and clothing.

They are 19 in number.

The first table gives the estimated population at the end of the year, which is arrived at by adding to the numbers of the preceding year the excess of births over deaths, and the excess of immigration over emigration. The figures stand thus:—

		Males.	Females.	Total.
Estimated population on 31st December 1861	-	202,099	156,179	358,278
Increase by births over deaths	- - -	4,041	4,869	8,910
Increase by arrivals over departures	- - -	—	916	* 916
		206,140	161,964	368,104
Decrease by departures over arrivals	- - -	609	—	609
Estimated population on 31st December 1862	-	205,531	161,964	367,495

The net increase was 9,217 souls, or at the rate of 2·57 per cent.

The males increased 1·69 per cent., and the females 3·70 per cent., on their own numbers respectively.

There are no means by which the overland migration with the adjacent colonies can be ascertained, and it is impossible, except by a general census, to determine to what extent the numbers are affected from year to year by this disturbing cause.

Looking to the returns of the last decade, it may be interesting to compare the increase of population in the two quinquennial periods. From 1852 to 1857 inclusive there was an accession of 97,233 souls to the population, that is, 47 per cent., or at the rate of 9·2 per cent. per annum. The males increased from 118,687 to 171,673, or 45 per cent.; the females from 89,567 to 133,814, or 49 per cent. From 1857 to 1862 inclusive the increase was 62,008 souls, that is, 20 per cent., or at the rate of 4 per cent. per annum.* The males increased from 171,673 to 205,531, or 19 per cent.; the females from 133,814 to 161,964, or 21 per cent. During the first period we were indebted to immigration for the largest share of our annual increase; during the latter period we owe more to the natural increase of the population by births.

At the end of 1852 the females bore a proportion of 755 to each 1,000 males; at the end of 1857, they bore a proportion of 779 to each 1,000 males; at the end of 1862, they bore a proportion of 788 to each 1,000 males.†

5. The tables relating to births, marriages, and deaths having lately formed the subject of a special report, need but passing comment in this place.

Births, marriages, and deaths.

The increase to the population by births was 15,434, being at the rate of 42 per 1,000 on the estimated population,‡ at the middle of the year. This was nearly one to every 1,000 below the average of the five previous years. The marriages numbered 3,326, or at the rate of 9·09 per 1,000, being rather under the average of the five previous years. The deaths numbered 6,524, or at the rate of 17·83 to every 1,000 of the population, rather over the average of the five previous years. The net increase, by excess of births over deaths, was 8,910, or at the rate of 24 to each 1,000 of the population.

6. The addition to the numbers of the people by arrivals seaward, inclusive of 1,030 Chinese Immigration. immigrants, was 15,386, but against this we have to write off departures to the extent of 15,079; the gain, therefore, from outward sources, was very small indeed,—only 307 souls.

The efflux is due, in part, to the rush which commenced about the middle of the past year to the Otago gold fields, for it appears that no less than 3,445 people§ left the colony for New Zealand before the end of the year, but few of whom have as yet returned, 1,118 Chinamen, moreover, took their departure for home; and both to Victoria and Queensland there was a considerable migration.

The least unsatisfactory feature of this emigration is, that it has been confined principally to males. Out of the numbers which took their departure during the year, there were 3,114 females only to 11,965 males.

7. The returns of immigration for the ten years, 1853 to 1862 inclusive, exhibit the results shown in the following table, viz. :—

		Assisted.		Voluntary.		Total.	
		Male.	Female.	Male.	Female.	Male.	Female.
5 years—1853 to 1857	- -	24,248	25,455	14,311	9,017	38,559	34,472
5 years—1858 to 1862	- -	9,967	9,372	57,982	14,571	67,949	23,943
Totals—10 years	- -	34,215	34,827	72,293	23,588	106,508	58,415

From these figures it would appear, that whilst the assisted immigration has been conducted with due regard to the equalization of the sexes, the voluntary immigration sets at nought this important social consideration. A preponderance of 48,705 males, or over two-thirds of the arrivals at their own expense during the ten years, would seem to indicate the necessity for greater attention to female immigration, in order to promote the proper balance of the sexes.

8. The statistics of charitable institutions are interesting in two points of view; first, as indicating the extent of eleemosynary aid afforded by the community; and, secondly, as exhibiting the proportional amount of helplessness and distress to the great body of the people, taxing as it were the industry of the strong and active for the maintenance of the decrepit, maimed, and indigent.

Turning to Table 10, it will be seen that there were at the end of 1861, in the different hospitals, asylums, and orphan schools, as follows, viz.:—

		Sex not stated.	Males.	Females.	Total.
In-door	- - - - -	-	1,785	1,303	3,088
There were receiving out-door relief	-	488	1,533	1,109	3,130
Totals	- -	488	3,318	2,412	6,218

* The separation of the Northern Districts took place during the second quinquennial period, viz., 1st December 1859.

† Eliminating the Chinese population, amounting to 12,986 souls, all males, the census of 1861 exhibited the proportion of 821 females to every 1,000 males.

‡ 365,741.

§ 3,094 males, 351 females.

|| Families.

NEW SOUTH WALES.

For the support and accommodation of these people there was received—

	£	s.	d.
From the Government	54,683	19	4
From private contributions	17,044	17	1
Together	<u>71,728</u>	<u>16</u>	<u>5</u>

The actual disbursements were 200*l.* short of this sum, the average cost per head of the numbers relieved being about 11*l.* 10*s.* each. The proportion of almspeople to the total population was 17 in each 1,000, and the cost of their maintenance, distributed over the entire community, was at the rate of 4*s.* per head.

Comparison, 1861 and 1862. 9. I have referred to the statistics of 1861, in order to institute a comparison with those of the succeeding year. It appears then, that at the end of 1862 there were in the several hospitals, asylums, and orphan schools in the Colony—

	Sex not stated.	Males.	Females.	Total.
In-door	—	1,908	1,228	3,136
Receiving out-door relief	*1,805	1,495	917	4,217
Totals	<u>1,805</u>	<u>3,403</u>	<u>2,145</u>	<u>7,353</u>

These figures show an increase of 1,135 on the returns of the previous year. Towards the support of these 7,353 almspeople there was contributed—

	£	s.	d.
By the Government	59,812	13	8
By private subscriptions	13,203	18	9
Together	<u>£73,016</u>	<u>12</u>	<u>5</u>

The falling off in the amount received from private sources is very remarkable, being 3,841*l.* less than it was in 1861. The actual disbursements were 5,491*l.* short of the receipts, and the average cost per head was 9*l.* 3*s.* 8*d.*, that is, 46*s.* per head within the expenditure of 1861. Whether these results are owing to the fact of the Government having taken into their own hands the asylums for the infirm and destitute I am not prepared to say, but they are noticeable traits in the returns.

The proportion of almspeople to the population was 20 in each 1,000, being an increase of three on the returns of the previous year, whilst the cost to each person in the Colony was at the rate of about 3*s.* 8*d.* per head, or 4*d.* less than in 1861.

I should state that the return is defective, inasmuch as it does not embrace the particulars with regard to the Maitland Hospital, and St. Vincent's Hospital, Sydney. Several fruitless applications were made to the officers of these institutions, and I could not keep the returns longer open.

10. The prospect held out to the labouring classes at home by the rates of wages, prices of provisions and clothing and the principal articles of consumption in the Colony, being a question of some importance to our countrymen, may not be deemed unworthy of passing notice, and as being intimately connected with the subject of population the tables have been introduced at the end of this part of the work. The Return No. 18., which exhibits the average rates of wages obtaining during the last 10 years, shows a decided increase in the remuneration to female servants employed in the performance of domestic offices. The skilled artizan commanded an average daily wage of 10*s.*, without board or lodging, and farm labourer shepherds, from 30*l.* to 40*l.* per annum, with board and lodging.

The wages of female domestic servants ranged from 20*l.* to 40*l.*; cooks, laundresses, and upper nurses commanding the higher rates.

11. The prices of clothing and provisions ruled, on the average, somewhat lower than is shown in the return of the previous year.

Wheat averaged	—	—	—	—	—	7 <i>s.</i> per bushel.
Bread	"	—	—	—	—	4 <i>d.</i> the 2 lb. loaf.
Rice	"	—	—	—	—	3 <i>d.</i> per lb.
Tea	"	—	—	—	—	2 <i>s.</i> per lb.
Sugar	"	—	—	—	—	4 <i>d.</i> per lb.
Meal	"	—	—	—	—	4 <i>d.</i> per lb.
Butter	"	—	—	—	—	1 <i>s.</i> 6 <i>d.</i> per lb.
Cheese	"	—	—	—	—	9 <i>d.</i> per lb. for colonial.
Potatoes	"	—	—	—	—	8 <i>s.</i> per cwt.
Candles	"	—	—	—	—	7 <i>d.</i> per lb.

As the dissemination of knowledge with regard to our social economy is one of the chief objects in view in publishing the annual statistics, I need not apologize for giving such prominent notice to the tables, which are framed by the Immigration Department, to supply information on a subject of such paramount importance to emigrants in the Mother Country. I may state that the information upon which the table is based is collected from all parts of the Colony, and the average is struck upon the results of the whole.

* Families.

PART II.

NEW SOUTH WALES.

Religion, Education, and Crime.

12. The Ecclesiastical Return embraces the number of ministers, the amount of salaries paid from public funds, the Church accommodation and number of persons usually attending, to which are added the statistics of Sunday schools.

The number of ministers of religion officiating in the Colony was 354, being an increase of 27 on the returns of the previous year, distributed as follows, viz. :—

	1861.	1862.	Increase.
Church of England	119	127	8
Roman Catholic	64	73	9
Presbyterian	51	59	8
Methodists	56	54	—
Congregationalists	17	19	2
Baptists	7	10	3
Unitarian	1	1	—
Jews	4	5	1
Christian Israelites	8	6	—
Totals	327	354	31
Decrease			4
			27

The sums paid out of State Funds for religious purposes, principally in salaries, were as follows, State Aid. viz. :—

	£	s.	d.
Church of England	17,932	17	2
Roman Catholic	10,161	1	5
Presbyterians (Synod of Australia)	3,527	0	0
Wesleyan Methodists	1,835	7	7
Total	33,456	6	2

There were 270 churches and 447 chapels, or buildings used as such, providing accommodation for 119,075 people, that is rather under one third of the total population, having an average attendance of 86,674, or under one fourth of the population.

The proportion of persons incapacitated by extreme youth and old age from attending public worship may be put down at 20 per cent., or one fifth of the people.

13. The statistics of Sunday schools exhibit a decrease of five on the numbers of the preceding year, but there is a small increase in the number of scholars. Much difficulty is experienced in the collection of these returns.

They show the following results ; viz.—

Denomination.	Schools.	Teachers.		Scholars.	
		Male.	Female.	Male.	Female.
Church of England	128	381	542	3,476	4,017
Roman Catholics	66	130	150	2,063	2,287
Presbyterians	44	115	119	805	968
Methodists	143	548	538	4,359	4,757
Congregationalists	16	124	107	950	1,150
Baptists	8	45	35	263	267
Totals	405	1,343	1,491	11,916	13,446

Each teacher's class averaged, for religious instruction, as under :—

Church of England	-	-	-	-	8 scholars.
Roman Catholic Church	-	-	-	-	15 "
Presbyterian Church	-	-	-	-	7 "
Methodists	-	-	-	-	8 "
Congregationalists	-	-	-	-	9 "
Baptists	-	-	-	-	6 "

NEW SOUTH WALES.

Schools.

14. The total number of educational establishments in the Colony was 925, an increase of 76 on the return for 1861.

The returns for the two years are as follows:—

Schools.	1861.	1862.	Increase.
Denominational	278	305	27
National	178	208	30
Private Schools	387	405	18
University and Colleges	2	3*	1
Increase	-	-	76

The number of scholars under tuition exhibits an increase of 4,337, as appears by the following comparison, viz.:—

	1861.	1862.	Increase.
Orphan Schools and Destitute Asylum	652	659	7
Denominational	16,572	18,584	2,012
National	11,400	13,392	1,992
Private Schools	9,087	9,454	367
	<hr/>	<hr/>	<hr/>
	37,711	42,089	4,378
University and Colleges	163	122	Decrease 41
	<hr/>	<hr/>	<hr/>
Increase	-	-	4,337

Estimate of
number of
children not
receiving
education.

It should be noticed that in no one year of the last decade do the returns exhibit so large an addition to the number of children under tuition.

15. By the census of 1861, from 5 years of age up to 10, there were 41,664† children. From 10 years up to 15 years of age there were 85,717,‡ together 77,381 boys and girls of the educable age. Of this number many, perhaps, may be considered by their parents too young to go to school, and many are taken from school and put out into the world before arriving at the age of 15. It is impossible to ascertain with any degree of accuracy the numbers in either case. Many children receive instruction at home. Many, moreover, whose parents are incapable of imparting instruction, and who would gladly pay for it for their children, are so situated as to be beyond the reach of a school, and the number of these we cannot fairly estimate. All that we know for a certainty is, that between the ages 5 and 15 years there are from 77,000 to 78,000 boys and girls in the Colony, and that there were under some degree of instruction, during last year, other than home teaching, 42,211§, or 54 per cent. Deducting the 9,454 scholars educating at private schools (expense not stated), the total cost of their education for 1862 was 135,314l. 12s. 1d., or at the rate of 4l. 2s. 7d. per head.

Denomina-
tional schools.

The denominational schools educated 18,584 children, at a total cost of 47,657l. 12s. 3d., or at the rate of 2l. 11s. 3d. per head; of which 32,369l. 12s. 3d., or 1l. 14s. 10d. per head, came out of the Public Treasury, and 15,288l., or 16s. 5d. per head, was contributed from private sources.

National
schools.

The national schools educated 13,392 children, at a total cost of 41,701l. 11s. 7d., or at the rate of 3l. 2s. 3d. per head; of which 30,936l. 1s. 2d., or 2l. 6s. 2d. per head, came from the Public Treasury, and 10,765l. 10s. 5d., or 16s. 1d. per head, from private sources.

Crime.

16. The criminal returns (embraced in tables 24 to 37) are surrounded with much interest at all times, and more especially at this period, when the public mind is agitated with conflicting statements and opinions as to the degree of criminality which the state of society in the Colony presents.

I will endeavour, from the data before me, to set forth the number of offenders during the last five years who were committed for trial in the Superior Courts of the Colony, the number of convictions, and the numbers acquitted; and I will further show the proportion of crime to the population in each year, and compare it with the criminal statistics of England and Wales and with the sister colony of Victoria.

I will further show the number of persons laid hold of by the police, and dealt with in the Summary Jurisdiction Courts of the Colony, for the four years 1859 to 1862.

Felonies, &c.

17. With regard to the more serious offences tried at the criminal sittings of the Supreme Court and Courts of Quarter Sessions, during the last five years,|| the returns exhibit the following results, viz.:—

* The Roman Catholic College of St. John's was not embraced in former returns.

† 20,849 boys and 20,815 girls. ‡ 18,082 boys and 17,635 girls.

§ 22,125 boys, 20,086 girls.

|| Prior to 1858 there are no records of commitments for trial; the inquiry, therefore, cannot be pushed further back.

NEW SOUTH WALES.

Year.	Felonies,			Misdemeanors.			Total Number of Commitments.
	Supreme Court.	Courts of Quarter Sessions.	Total.	Supreme Court.	Courts of Quarter Sessions.	Total.	
1858	234	382	616	53	111	164	780
1859	156	441	597	48	108	156	753
1860	127	412	539	40	106	146	685
1861	146	486	632	61	127	188	820
1862	151	526	677	48	154	202	879

It will be seen by the foregoing figures that the number of commitments decreased from 780 in 1858 to 685 in 1860, and that they then expanded again from 685 in 1860 to 879 in 1862. But there has been a considerable accession to the population since 1860. We must, therefore, to arrive at an accurate conclusion, ascertain what ratio the commitments bear to the population in each year.

Year.	Population at Middle of Year.	Commitments.	Ratio	
			Per 1,000.	Or
1858	309,790	780	2.518	1 in 397
1859	330,860	753	2.276	1 in 439
1860	330,840	685	2.070	1 in 483
1861	353,332	820	2.321	1 in 431
1862	365,741	*879	2.403	1 in 416
Mean of 5 years		- -	2.317	1 in 433

These figures go to prove (in so far as the commitments may be admitted as an index of crime) that the moral state of the community was better in 1862 than it was in 1858.

Comparison with England and Wales.

18. We will now compare the results of our investigation with the criminal statistics of the Mother Country. The last returns published by order of the Secretary of State for the Home Department for England and Wales give the following results for the six years 1856 to 1861, viz:—

Year.	Population.	Commitments.	Ratio	
			Per 1,000.	Or
1856	19,045,000	19,437	1.020	1 in 980
1857	19,305,000	20,269	1.050	1 in 952
1858	19,523,000	17,855	0.914	1 in 1,099
1859	19,746,000	16,674	0.844	1 in 1,184
1860	19,902,918	15,999	0.829	1 in 1,244
1861	20,119,496	18,326	0.901	1 in 1,098
Mean of 6 years		- -	0.926	1 in 1,093

Comparison, New South Wales with England and Wales:—

New South Wales, mean of 5 years, 1858 to 1862 - - 2.317 or 1 in 433.

England and Wales, mean of 6 years, 1856 to 1861 - - 0.926 or 1 in 1,093.

Excess of commitments to population in New South Wales - - - - - 1.391 to each 1,000.

It is proper here to state that the Criminal Justice Act of 1855, which authorized justices to pass sentences for short periods, with the consent of the prisoners, instead of committing them for trial to the sessions, had the effect of decreasing the commitments to no less an extent than 34.8 per cent., as compared with the average of the two preceding quinquennial periods. In order, therefore, to form a fair estimate of the moral state of the Colony, as compared with the Mother Country, we must push the inquiry further back through the ten years preceding 1856.

* The Returns from the Benches of Magistrates state the number of commitments for trial at 998. If this is correct it will give a different result. The ratio for 1862 would be 2.729 per 1000, or 1 in 366, and the mean of the 5 years would be 2.383 per 1000, or 1.423.

NEW SOUTH
WALES.

The table at foot* shows that for ten years, 1846 to 1855, the committals for trial ranged from 1,382 per 1,000 of the population to 1,683; the average being 1,550, or 1 in 647. We find then the comparison to stand as follows, viz. :—

New South Wales, 1858 to 1862	-	2·317, or 1 in 433.
England and Wales, 1846 to 1855	-	1·550, or 1 in 647.

Difference	-	0·767 per 1,000 of the population.
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Comparison
with Victoria.

19. The statistics of the Colony of Victoria enable me to extend the comparison with that Colony for the three years 1859 to 1861.

Year.	Population.	Commitments.	Ratio	
			Per 1,000.	Or
1859	530,262	1,428	2·693	1 in 371
1860	537,847	1,329	2·471	1 in 404
1861	541,800	1,283	2·368	1 in 422
Mean of 3 years			2·510	1 in 375

These figures exhibit the following comparative results, viz. :—

Victoria, 1859 to 1861	-	2·510, or 1 in 375.
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New South Wales, 1858 to 1862	-	2·317, or 1 in 433.
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Difference	-	0·193 per 1,000 of the population in favour of New South Wales.
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Convictions,
&c.

20. The numbers convicted and acquitted, or not put upon trial, are placed in the following table opposite those committed for trial :—

Year.	Committed for Trial.	Convicted.	Acquitted.	Convicted.	Acquitted.	Ratio	
						Per Centage.	Per Centage.
1858	780	415	365	53·	47·		
1859	753	406	347	54·	46·		
1860	685	405	280	59·	41·		
1861	820	437	333	53·	47·		
1862	879	514	365	58·	42·		
Total	3,917	2,177	1,740	55·	45·		

It would appear by these figures, that out of the total number committed for trial in the five years, 55·5 per cent. were prosecuted to conviction, and 44·5 per cent. were either acquitted or not placed upon trial; which of the two the returns do not specify.

Year.	Population.	Commitments.	Ratio	
			Per 1,000.	Or
1846	16,925,000	25,107	1·483	1 in 674
1847	17,132,000	28,833	1·683	1 in 594
1848	17,340,000	30,349	1·750	1 in 571
1849	17,552,000	27,816	1·584	1 in 631
1850	17,766,000	26,819	1·509	1 in 662
Mean of 5 years			1·602	1 in 626
1851	17,983,000	27,960	1·554	1 in 643
1852	18,205,000	27,510	1·511	1 in 661
1853	18,403,000	27,057	1·470	1 in 680
1854	18,618,000	29,359	1·576	1 in 634
1855	18,787,000	25,972	1·382	1 in 723
Mean of 5 years			1·499	1 in 668
Mean of 10 years			1·550	1 in 647

21. The summary jurisdiction returns show that 15,410 persons (11,767 males and 3,643 females) were laid hold of by the police, and dealt with in the manner shown in the following table, viz.:—

NEW SOUTH WALES.

Offences.	Taken into Custody.		Convicted.		Committed for Trial.		Discharged.		Summary Jurisdiction.
	M.	F.	M.	F.	M.	F.	M.	F.	
Against the person - -	4,501	1,736	2,722	1,276	276	12	1,503	448	
Against property - -	2,810	529	1,069	278	651	49	1,090	202	
Drunkenness - -	3,501	1,374	1,227	328	4	—	2,270	1,046	
Under Vagrant Act, &c. - -	35	3	24	2	—	—	11	1	
Seamens' - -	909	—	544	—	3	—	362	—	
Prisoners of the Crown - -	11	1	6	—	3	—	2	1	
Total - - -	11,767	3,643	5,592	1,884	937	61	5,238	1,698	

22. A comparative view of the number of offenders brought before the several courts of petty sessions in each of the four years, 1859 to 1862, is presented in the following table, viz.:—

Comparison with former years.

Nature of Offences.	* Taken into Custody.	Convicted.	Committed.	Discharged.
Offences against the Person, Property, &c.				
Drunkenness - - -	8,599 9,419†	4,942 7,815	761	2,896 1,582
Totals for the year 1859 - -	18,018	12,757	761	4,478
Offences against the Person, Property, &c.				
Drunkenness - - -	9,027 10,166	5,044 8,184	737	3,246 1,982
Totals for the year 1860 - -	19,193	13,228	737	5,228
Offences against the Person, Property, &c.				
Drunkenness - - -	7,920‡ 8,817	4,390 6,941	828 8	2,701 1,868
Totals for the year 1861 - -	16,737	11,331	836	4,569
Offences against the Person, Property, &c.				
Drunkenness - - -	10,535 4,875	5,921 1,555	994 4	3,620 3,316
Totals for the year 1862 - -	15,410	7,476	998	6,936

* The Returns do not show how many persons were apprehended more than once during the year, and therefore the figures must be read as referring to the number of offences, and not to the number of individuals, as one person may have been brought up possibly two or three times.

† Of this number no record kept of 22 as to how disposed of.

‡ Of this number one effected his escape from the lock-up.

From this table we find that the number of persons taken into custody in 1862 was below that of either of three previous years. The great decrease is attributable to the smallness of the numbers apprehended for drunkenness, which are put down at 4,875 against 8,817 in 1861, 10,166 in 1860, and 9,419 in 1859.

The increase in the number of offences against the person, &c. (namely, 10,535 against 7,920 the previous year,) is attributable to the operation of "The Sale of Liquors Licensing Act of 1862," which contains no penal provisions against drunkenness. The police were therefore compelled to take proceedings against drunkards under such other enactments as the circumstances of each case might warrant. The effect of this has been to swell up the offences against the person and property in a corresponding ratio to the reduction in the numbers apprehended for drunkenness.

23. There is a singular feature in the metropolitan returns which is deserving of notice. It appears that out of 1,314 persons brought before the magistrates at the Central Police Court, for offences "against the person," the females outnumbered the males to the extent of 128; and in 1,597 drunkards cases the females again outstripped the males to the number of 115; whilst in 983 cases for offences "against property" the males preponderate to the number of 311.

The education of these people may prove of some interest, as it appears that out of 2,481 males, 109 or 4·39 per cent., can read and write; 1,956, or 78·83 per cent., can read only; and 416, or 16·76 per cent., can neither read nor write; of 2,413 females, 47, or 1·94 per cent., can read and write; 1,598, or 66·22 per cent., can read only; and 768, or 31·82 per cent., can neither read nor write.

The numbers apprehended and brought before the justices in the metropolitan district amounted to 6,908, or nearly 45 per cent. of the total apprehensions throughout the Colony; but it should be remarked that 909 of these were for offences committed at sea or on board of vessels in the harbour.

24. The returns published by the police department of Victoria, for the three years 1859 to 1861, enable me to make the following comparison as to the numbers laid hold of by the police in the two Colonies.

Metropolitan returns.

Comparison with Victoria.

NEW SOUTH
WALES.

It appears by the figures in the tables below that whilst the apprehensions by the police in Victoria bore a mean of 1 to every 18 of the population for the three years, the apprehensions by the police of New South Wales, for the four years 1859 to 1862, bore a mean of 1 to every 19 of the population.

VICTORIA.				
Year.	Population.	Taken into Custody.	Ratio to Population.	
			Per 1,000.	Or
1859	530,262	30,357	57·249	1 in 17
1860	537,847	29,030	53·993	1 in 18
1861	541,800	25,766	47·556	1 in 21
Mean of 3 years			52·932	1 in 18
NEW SOUTH WALES.				
Year.	Population.	Taken into Custody.	Ratio to Population.	
			Per 1,000.	Or
1859	330,860	18,018	54·458	1 in 18
1860	330,840	19,193	58·013	1 in 17
1861	353,932	16,737	47·368	1 in 21
1862	365,741	15,410	42·193	1 in 23
Mean of 4 years			50·493	1 in 19
Victoria	-	-	52·932, or 1 in 18.	
New South Wales	-	-	50·493, or 1 in 19.	
Difference	-	-	<u>2·439</u>	

With regard, however, to the comparison of the criminal statistics of different countries, it is necessary, in order to arrive at a fair conclusion, to take into consideration the state of the law in each case. For instance, I have shown that an alteration in the criminal law of England in 1855 had the effect of decreasing the number of commitments for trial to the Superior Courts by no less than 34 per cent. Those persons, therefore, who may be interested in tracing the matter to an accurate conclusion, will have to study, not only the criminal laws both in England and Victoria, but any other exceptional circumstances affecting the question, before they can apply with any degree of certainty the comparison I have drawn. My duty is ended in presenting the facts as I find them.

Publican's
licenses.

The number of certificates issued for publicans' licences was 2,122, against 1,733 granted the year before. This gives a public house to every 173 souls in the community.

PART III.

Trade and Commerce.

Imports and
exports com-
pared.

25. In order to convey some idea of the progress of trade, and to illustrate the development of our commercial relations with other countries, a glance at the imports and exports for the year under review will be attended with advantage.

It appears by the customs returns that the total imports for the year were valued at £9,334,645
And the exports at - - - - - 7,102,562

Showing an excess of imports to the extent of - 2,232,083

Imports com-
pared with
1861.

The imports were at the rate of 25*l.* 8*s.*, and the exports were at the rate of 19*l.* 6*s.* 6*d.* per head of the population.

The imports, compared with the previous year, were as follows, viz.:—

		1861.	1862.	Increase.
From the United Kingdom -	£	3,062,435	4,814,264	1,751,829
" British Colonies -	£	2,338,641	3,068,593	729,952
" Foreign States -	£	990,479	1,451,788	461,309
Totals - £		6,391,555	9,334,645	2,943,090

Showing an increase of very little short of three millions on the imports of 1861, and more than three **NEW SOUTH WALES.**

The exports exhibit the following comparison with those of the previous year, viz.:—

Exports compared with 1861.

		1861.	1862.	Increase.	
		£	£	£	
To the United Kingdom	-	2,037,550	2,143,497	105,947	
" British Colonies	-	3,025,661	4,725,212	1,699,551	
" Foreign States	-	531,628	233,853	—	
Totals	-	£ 5,594,839	£ 7,102,562	£ 1,805,498	
Decrease to Foreign States		-	-	297,775	
Total Increase		- £	1,507,723		

The exports thus show an increase to the extent of rather more than a million and a half on those of the preceding year, and more than two millions and three quarters[†] upon the average[§] annual exports of the 10 years 1852 to 1861.

26. The estimated value of exports, the produce of the Colony, as compared with 1861, was as follows, viz.:—

		1861.	1862.	Increase.	Decrease.
		£	£	£	£
Seaward.					
Grain	- - -	84,986	153,061	68,075	—
Butter and Cheese	- - -	20,754	19,091	—	1,663
Live Stock	- - -	49,280	62,057	12,777	—
Salt Meat	- - -	18,513	18,488	—	25
Hides and Leather	- - -	100,459	105,458	4,999	—
Wool	- - -	1,896,426	1,283,818	—	112,608
Tallow	- - -	60,816	104,030	43,214	—
Timber	- - -	19,554	25,318	5,764	—
Gold	- - -	1,890,908	2,715,037	824,129	—
Coal	- - -	160,965	245,422	84,457	—
Totals	- - £	£ 3,802,661	£ 4,731,780	£ 1,043,415	£ 114,296
Overland.					
Live Stock	- - -	492,953	529,754	37,401	—
Wool, Hides, &c.	- - -	380,284	527,005	146,721	—
Fish and other produce	- - -	3,360	10,352	6,992	—
Totals	- - £	£ 875,997	£ 1,067,111	£ 191,114	—
General Total	- - £	£ 4,678,658	£ 5,798,891	£ 1,234,529	£ 114,296

By the foregoing statement the net increase in the value of the exports of 1862 over those of 1861 appears to have been **£ 1,120,238**.

The most remarkable increase is observable in the export of gold, amounting to the large sum of **£ 824,129**.

The decrease in the dairy produce is attributable to the severe drought which visited the Colony in 1862, and to the depression in the wool market at home is traceable the lower value placed upon the export of that article seaward.

In the overland traffic an increase to the extent of **£ 191,114** is recorded, the total exports, via Albury, Moama, and the Murray, having exceeded a million in value, against **£ 875,997** the year before.

27. Of our great staple produce, wool, the export during 1862, as compared with the previous year, was as follows, viz.:—

		1861.	1862.	Increase.	
		Lbs.	Lbs.	Lbs.	
Seaward	- - -	12,745,891	13,482,139	736,248	
Overland and via the Murray	- - -	5,425,918	7,506,254	2,080,936	
Totals	- -	18,171,209	20,988,393	2,817,184	

* 3,569,640.

† 5,765,005.

‡ 2,789,997.

§ 4,312,565.

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WALES.

Shipping.

The most remarkable feature in this statement is the great increase in the export of wool, by way of Melbourne and Adelaide, from what are called the "Riverine districts," amounting, as it appears, to more than one-half the quantity shipped seaward from the ports of the Colony.

8. The returns of shipping inwards, as was to be expected, afford ample evidence of the increased trade which has been brought under notice. The number of vessels which entered the different ports of the Colony during 1862 was 1,493, with an aggregate tonnage of 454,837 tons. In the year 1861 the number of vessels arriving inwards was 1,327, and the aggregate tonnage 366,236 tons.

The inward shipping, both in numbers and tonnage, exceeds that of any year of the last decennial period.

The shipping trade inwards, with Great Britain, was in excess of either of the four previous years, but did not reach the average of the five years 1853 to 1857; whilst the outward trade appears to have diminished, as is shown below, viz.:—

	Inwards.		Outwards.	
	Vessels.	Tonnage.	Vessels.	Tonnage.
1862 - - - -	111	81,114	32	28,018
Average of four years, 1858 to 1861 -	96	73,251	34	28,491
Average of five years, 1853 to 1857 -	157	109,539	51	36,507

PART IV.

Mills and Manufactures.

29. There is little to notice in the progress of our manufacturing industry. By slow degrees, horse, wind, and water mills are giving way to steam. In 1853 there were 72 steam mills for grinding and dressing grain; in 1862 there were 131.

In 1853 there were 141 manufactures or works conducted by machinery; in the 10 years ending with 1862 they had increased to 859.

Five years ago the pastoral districts could boast of no more than 23 machines to economize labour, or establishments worked by machinery, 10 of the number being appropriated to converting sheep and cattle into tallow; in 1862 the number had increased to 155.

30. The manufacture of woollens in 1862 exhibits a decrease on the returns of the previous year. In 1861 there were eight establishments in work, producing 145,393 yards of cloth and tweed. In 1862 there were only five in work, producing 128,720 yards. Since the year 1854, the woollen manufacture seems to have declined, the quantity produced in that year being 184,555 yards. The returns of the last three years, however, afford evidence of its revival, although it has not reached what it was nine years ago.

31. The manufacture of soap and candles does not exhibit so marked an increase as the progress of the population would lead one to expect. In 1854 there were 18 establishments, producing 74,878 cwt.; whilst in 1862 there were 30 establishments, producing only 79,117 cwt. During the intermediate years the manufacture gives evidence of a fitful pursuit of this useful branch of industry, in 1859 the quantity produced being as low as 32,768 cwt.

It may be fairly presumed that the manufacture is regulated and kept down by importations from the Mother Country.

32. The manufacture of tobacco would appear to have taken a start since the supply from America has fallen short. The production in 1862 was 3,755 cwt., against 1,587 cwt. the previous year; indeed in no year of the preceding decennial period has the manufacture of this article shown so great activity.

33. The manufacture of refined sugar is also greatly on the increase. In 1853 there were three establishments in operation, producing 81,200 cwt.; in 1862 there was 166,900 cwt. produced by two establishments. The average annual production of the last five years has been 147,684 cwt., or 19,216 cwt. below that of 1862.

34. The manufacture of tallow, although the number of cattle boiled down exceeded by nearly 18,000 the number so disposed of during 1861, fell short of the produce of that year by more than 2,000 cwt.

The number of sheep and cattle rendered into tallow in the two years, and the produce, were as follows:—

	1861.	Produce. Cwt.	1862.	Produce. Cwt.
Sheep - -	6,901	6,901}	43,353	3,241
Cattle - -	30,528	30,528}	48,097	41,287

Since the year 1853 the returns do not show so great a slaughter of horned cattle for tallow as took place during last year. The deficiency in the quantity of tallow produced is attributable to the inferior condition of the stock, owing to the severe drought.

PART V.

*Production.*NEW SOUTH
WALES.

Collieries.

35. We now come to the consideration of our mining operations. And first, as to the collieries, which afford evidence of unwanted activity. It is satisfactory to find that the production of coal has more than recovered the ground it lost in 1861, owing to the disagreement which unfortunately prevailed during a part of that year between the principal coal companies and their miners. The number of mines in actual working operation in 1862 is stated at 30, producing 476,522 tons of coal of the value of 305,234*l.* It seems that no less than 15 new mines have been added to the number which were in operation in 1861, and that the result was an increased production of 134,455 tons.

The development of the coal fields of the Colony during the last decade is a very remarkable feature in these returns. The production of the mines for the five years 1853 to 1857 was 750,921 tons, whilst the production for the five years 1858 to 1862 was 1,712,061 tons, showing an increase of very little short of a million tons in the five years.

The export of coal in 1862 amounted to 308,782 tons, against 207,780 tons the previous year. Our principal customers are Victoria, South Australia, and New Zealand, and large shipments are made to China and other Foreign Countries. The shipments to the neighbouring colonies average about two-thirds of the total exports.

The price of good screened coal at Newcastle ranged from 12*s.* to 14*s.* per ton.

36. A silver mine was opened near "Moruya" on the southern coast of the Colony, on the 13th August 1862, and 266 tons of ore was taken from it before the end of the year, but the value is not stated. Silver, iron, and copper.

The Fitz Roy Iron Mine was not worked.

Two copper mines in the district of Orange produced 2,200 tons of ore, of the value of 12,000*l.* sterling.

37. The total results of our gold mining operations for the year manifest increased success.

The Western Gold Fields more than doubled the production of the previous year, whilst the Northern and Southern Gold Fields show a decrease, as will be seen by the following statement, viz.:— Gold.

Gold Fields.	1861.		1862.		
	Ounces.	Value.	Ounces.	Value.	
Western	134,375	£ 513,790	321,720	1,219,752	
Northern	35,266	132,931	28,242	106,065	
Southern	232,993	907,908	225,576	886,717	
Totals	402,634	1,554,629	575,538	2,212,534	

The increase in the quantity of gold produced was 172,904 ounces, in value 657,905*l.*

The quartz reefs in the western districts afford evidence of extreme richness; and it is probable that their resources will receive extraordinary development, through the application of capital and machinery which is being brought to bear upon them.

38. Connected with the production of gold, there is a Return No. 143., included in Part 7., showing the number of miners' rights and business licences issued in the year 1862, to which in this place it may be interesting to refer, as evidencing the increased amount of industry engaged in bringing about the results set forth in the last paragraph. The following figures represent the number of licences issued to miners in each of the two last years, viz.—

—	1861.	1862.	Increase.	Decrease.	
Western Gold Fields	7,050	17,183	10,133	—	
South-western Gold Fields	6,118	4,517	—	1,601	
Southern Gold Fields	1,242	1,543	301	—	
Northern Gold Fields	1,834	1,795	—	39	
Totals	16,244	25,038	10,434	1,640	

There is thus shown to have been a net increase of 8,794 upon the number of licences issued in 1861.

Assuming that each miner's right or licence represents an individual, and that its possessor was occupied during the whole year in the search for gold, it would appear by the return of production that as nearly as possible 23 ounces of the precious metal (supposing it to be equally divided) would fall to the lot of each man. This, at the mint value (3*l.* 17*s.* 10*½d.* per oz.), would produce an average wage of 88*l.* 13*s.* per annum, or at the rate of 1*l.* 14*s.* 1*d.* per week per man.

NEW SOUTH
WALES.

Agriculture.

39. There is no subject of more general interest than the occupation and cultivation of the soil. It has been my endeavour, since the statistics of the Colony were placed in my hands, to render the agricultural returns as perfect as possible, so that the annual progress made in this important branch of industry might be clearly indicated. I have endeavoured, on the present occasion, to distinguish freeholders from leaseholders, and the extent of holding owned or occupied by each. I have tried, moreover, to ascertain, in addition to the extent of land in cultivation, the quantity enclosed but not in cultivation, as well as the extent of holdings unenclosed. I regret, however, that the returns do not enable me to present the information with any confidence. The figures which relate to the total extent of holdings can only be accepted an approximation to the truth; but as regards the extent of land under tillage, the returns are as accurate, probably, as it is reasonable to expect under the present system of collection. We will first glance at the number of holders of land, and the estimated total extent of holdings.

40. The following results, distinguishing the pastoral from the settled districts, are elicited by the inquiry, viz.:—

Freehold and
Leasehold.

	—	Freeholders.*	Leasholders.	Freehold.	Leasehold.	
		No.	No.	Acres.	Acres.	
Pastoral	- -	5,185	1,343	1,113,227 $\frac{3}{4}$	51,883,286	
Settled	- -	9,246	6,615	3,123,770 $\frac{1}{2}$	3,081,658	
Totals	- -	14,431	7,958	4,236,998 $\frac{1}{4}$	54,964,944	

* It should be borne in mind that the inquiry extends only to holders of land exceeding one acre, and not to small town or suburban proprietors.

According to this statement, the extent of purchased land averages 215 acres to each freeholder in the pastoral districts, and 338 acres to each freeholder in the old settled districts, whilst the extent of leasehold land averages 41,610 acres to each leaseholder in the pastoral districts, and 466 acres in the settled districts.

41. In the returns of the previous year the free and leasehold were not separately distinguished, but putting the two classes together, the comparison stands thus:—

31st March 1862	- - - - -	21,175 holders.
31st March 1863	- - - - -	22,389 ,,

Showing an increase of - - - - - 1,214 holders.

Putting the extent of holdings lease and freehold together, a small deficiency is noticeable in the latter returns. The extent was estimated,—

On 31st March 1862, at	- - - - -	63,536,457 acres
And on 31st March 1863, at	- - - - -	63,201,943 ,,

Showing a decrease of - - - - - 334,514 acres.

The area of squatting runs, has but in a few cases been accurately defined, and therefore these figures can only be regarded as a rough approximation to the truth.

42. With reference to the extent of land actually under tillage, and the produce thereof, we may regard the returns with more favour. I have no doubt they convey as fair a picture of the quantity of land in crop, and of its estimated production, as the nature of the inquiry and former experience would seem to justify us in expecting.

The extension of agriculture in the pastoral districts is one of the most prominent features in the returns, as will appear by a glance at the following statement, showing the acreage in crop on the 31st March 1862 and 31st March 1863, viz.:—

	Districts.	1862.	1863.	Increase.	
		Acres.	Acres.	Acres.	
Pastoral	- - -	43,228	55,490	12,262	
Settled	- - -	254,347	246,648	7,699 Decrease	
Totals	- -	297,575	302,138	4,563	

There is here a decrease of 7,699 acres in the exhausted soils of the old settled districts, and an increase of 12,262 acres in the virgin soils of the pastoral districts, leaving a net increase of land under tillage to the extent of 4,563 acres. NEW SOUTH WALES.

43. We will inquire now, how this area has been cropped, and compare it with the previous year. Nature of crop.
The following tabular form is perhaps the most simple way of conveying the results:—

		31st March 1862.	31st March 1863.	Increase.	Decrease.	
Wheat	- - -	Acres. 129,375$\frac{1}{4}$	Acres. 117,854$\frac{3}{4}$	Acres. —	Acres. 11,521	
Maize	- - -	59,149$\frac{1}{4}$	78,232$\frac{1}{4}$	19,083$\frac{1}{4}$	—	
Barley and Oats	- - -	41,799$\frac{3}{4}$	50,001	8,201$\frac{1}{4}$	—	
Rye, Millet, and Sorghum	- - -	1,496	741	—	755	
Sown Grasses	- - -	43,292$\frac{1}{4}$	32,010	—	11,282$\frac{1}{4}$	
Potatoes	- - -	10,039$\frac{3}{4}$	9,282$\frac{1}{2}$	—	757	
Vineyards	- - -	1,130	1,459$\frac{1}{2}$	329$\frac{1}{2}$	—	
Gardens	- - -	8,707$\frac{3}{4}$	8,410	—	297$\frac{3}{4}$	
Tobacco	- - -	223$\frac{3}{4}$	895$\frac{3}{4}$	672	—	
Cotton	- - -	—	54$\frac{1}{4}$	54$\frac{1}{4}$	—	
Other Crops	- - -	2,360$\frac{1}{2}$	3,196$\frac{1}{4}$	835$\frac{1}{4}$	—	
Totals	- - -	297,575	302,138$\frac{1}{2}$	—	—	

This statement exhibits a falling off in the breadth of land sown in wheat to the extent of 11,521 acres, and in sown grasses to the extent of 11,282 acres, attributable without doubt to the dryness of the season. On the other hand, we notice an increase in the maize crop to the extent of 19,083 acres, which the breaking up of the drought towards the end of the year afforded farmers the opportunity of planting. There is also an extension of vineyard of 329 acres, and of tobacco of 672 acres, owing to the interruption of our regular supplies from America, and the consequent increase in price; and with these must be noticed an entirely new feature in the returns, namely, 54 $\frac{1}{4}$ acres of cotton, 17 acres of which were sown in the Clarence district, 12 acres in the county of Macquarie, and the rest in small quantities in other parts of the Colony.

Product.

44. The acreage sown in wheat for grain in 1862 was 108,136 acres, against 123,468 acres in the Wheat previous year, showing a decrease of 15,332 acres. The produce of the sowing of the two years was as follows:—

	Bushels.	Bushels per Acre.
1861 - - - - -	1,606,034	13
1862 - - - - -	1,054,954	9
Decrease - - - - -	551,080	4

The serious effects of the drought of 1862 are here manifested in the diminished production by no less than 551,080 bushels, or at the rate of four bushels per acre.

45. The average yield of wheat for the five years 1854 to 1858 was estimated at 15 bushels per acre, and for the three following years, 1859 to 1861, at 13 bushels per acre. We have, therefore, to write down a loss of at least five bushels per acre on the yield of the last year.

The yield was at the rate of not quite three bushels for each head of the population, whilst the average consumption per head (including wheat for seed) is estimated at 7 $\frac{1}{2}$ bushels per head. We have, therefore, to make up, by importations, for the large deficiency of 4 $\frac{1}{2}$ bushels.

46. We will look to the importations, to see how far this deficiency has been met. It seems that we imported during 1862 of flour and bread 14,673 tons, of the declared value of 210,936*l.*, and of wheat 446,640 bushels, of the value of 128,382*l.* If we turn this wheat into flour, at the rate of 45 bushels to the ton, we get 9,925 tons, making a total importation of 24,598 tons of breadstuffs, to the value of 339,318*l.* In addition to which we imported—

Of barley and oats to the value of - - - - -	20,322
Of rice - - - - -	100,012
And of gram, pollard, &c. - - - - -	4,538
Making a total sum of - - - - -	464,190

or at the rate of 1*l.* 5*s.* 3*d.* per head of the population sent out of the Colony for grain and breadstuffs during the year.

Of this large sum, 268,835*l.* went to South Australia.

The foregoing calculations are for sea-borne importations only. The river-borne and overland importations, via the Murray, from Adelaide and across the frontier from Melbourne, exceeded 20,000*l.* in value.

NEW SOUTH WALES.

47. The crop which maintains the second place in the returns of New South Wales agriculture is maize. It appears that the breadth of land sown in this description of crop for grain in 1862 was 75,991 acres, against 57,959 acres the previous year; an increase of 18,032 acres.

Maize.

The yield last year is estimated at 2,559,258 bushels, averaging 33 $\frac{1}{4}$ bushels per acre, against 1,727,434 bushels the year before, averaging 30 bushels per acre, which, taking one year with the other, may be taken as the average yield.

Barley and oats.

48. The breadth of land sown in barley and oats for grain was 12,535 acres, against 10,147 the previous year; an increase of 2,388 acres.

The produce exhibits a corresponding increase, having been returned in 1861 as 193,480 bushels, or at the rate of 19 bushels per acre, and in 1862 as 232,051 bushels, or 18 bushels per acre.

Potatoes.

49. The potato crop shows the effects of the dry season, in the extent of land planted, as well as in the yield. The area planted in 1862 was 9,282 acres, against 10,039 acres the previous year. The produce in 1861 was 30,941 tons, or at the rate of three tons to the acre. The produce in 1862 was 24,167 tons, or at the rate of 2 $\frac{1}{2}$ tons to the acre.

Tobacco.

50. The production of tobacco, it will be noticed, has taken a jump from 296,464 lbs. in 1861 to 1,715,333 lbs. in 1862. This is from an increased area of 672 acres.

Cotton.

51. The produce of the new cotton fields must not be passed without notice. It appears that of 54 acres 7,743 lbs. were picked; that is at the rate of 143 lbs. per acre. Considering the extreme dryness of the season during the infancy of the crop, and the heavy rains which fell about the time of its maturity, these results are sufficiently encouraging to induce extended efforts.

Vineyards.

52. The extension of our vine culture is a subject of much interest and importance to the Colony, and it is satisfactory to notice a steady increase from year to year in the breadth of land planted. The returns show the number of acres used for wine-making and for table use separately, also the extent newly planted and as yet unproductive.

The following figures will afford a correct view of the progress of this important branch of industry during the last year, viz.:

	—	Wine-making.	Table Use.	Unproductive.	Total.
		Acres.	Acres.	Acres.	Acres.
	1861	561 $\frac{3}{4}$	278 $\frac{3}{4}$	289 $\frac{1}{2}$	1,130
	1862	794 $\frac{3}{4}$	307 $\frac{1}{2}$	357 $\frac{1}{4}$	1,459 $\frac{1}{2}$
	Increase	233	28 $\frac{3}{4}$	67 $\frac{3}{4}$	329 $\frac{1}{2}$

By this statement there appears to be an increase in the total extent of vineyard of 329 acres, and it should be noted that the returns do not embrace the small garden vineyards under one acre.

53. The produce of the last year's vintage was highly satisfactory, having exceeded in quantity per acre that of either of the three previous years, viz.:

	Acres.	Wine Gallons.	Gallons per Acre.
1859	577	96,100	166
1860	622	99,791	160
1861	561	85,328	152
1862	794	144,888	182

This comes up very nearly to the average produce of the vineyards of France.* In addition to the wine, 2,749 gallons of brandy were manufactured last year; a quantity also greatly in excess of previous years.

54. Of grapes for table use the crop was also very prolific, 420 tons having been taken from 307 acres; that is, over a ton and a quarter per acre; whereas in no previous year has the crop quite averaged a ton per acre.

55. Although the returns of last year show an increase in the breadth of land planted, it is by no means what it ought to be. Our fellow-colonists in South Australia are far outstripping us in this most important and profitable branch of industry. They had 4,777 acres of vineyard last year, against 1,459 acres in New South Wales. They produced 472,297 gallons of wine, against 144,888 gallons in New South Wales. Their increase in the last year was 859 acres; our increase the same year was only 329 acres. They exported over 20,000 gallons of wine last year; we exported 10,062 gallons.

Their population is 135,329, against our 367,495.

56. It will be profitable, perhaps, before leaving the agricultural statistics, to extend the parallel a little further, to see what this active and industrious community is doing, as compared with ourselves. They had 494,511 acres of land under tillage last year; that is, equal to 3·65 acres to each individual in the community. We had but 302,138 acres, equal to 0·82 acres to each person; that is, they had more than four times the extent of land under tillage to each head of the population than we had.

They had 320,160 acres under wheat last year; that is 2·40 acres to each person. We had, both for hay and grain, only 117,854, or 0·32 acres to each person; that is, they made more than seven-fold provision for the staff of life than we did.

* 190 gallons per acre.

Their wheat harvest produced 3,841,824 bushels, at the rate of 12 bushels per acre; ours produced NEW SOUTH WALES. 1,054,954 bushels, at the rate of nine bushels per acre. But this with us was an exceptional year. The average yield in New South Wales is about 15 bushels; the average yield in South Australia is about 12 bushels.

They exported 51,092 tons of wheat and flour, of the value of 633,241*l.*; we imported 24,598 tons, of the value of 339,318*l.*

This little digression from the subject in hand is not out of place. It may be useful in stimulating the agricultural industry of this Colony, and may be turned to profitable account in leading our people to the pursuit of that steady and persevering industry which, under great disadvantages of climate, so largely characterizes our neighbours in South Australia.

Live Stock.

57. In the face of the severe losses occasioned by the protracted drought of 1862, the increase in the amount of live stock was considerable. These returns are taken at the same time with the returns of agriculture on 31st March, in order to embrace the lambs of the previous spring, which are generally weaned in February.

The following figures will exhibit the increase in each description of stock upon the returns of the preceding year:—

—	31st March 1862.	31st March 1863.	Increase.
HORSES.			
Pastoral Districts	77,914	100,795	22,881
Settled Districts	155,306	172,594	17,288
Totals	233,220	273,389	40,169
HORNED CATTLE.			
Pastoral Districts	1,695,469	2,039,316	343,847
Settled Districts	576,454	581,067	4,613
Totals	2,271,923	2,620,383	348,460
SHEEP.			
Pastoral Districts	4,214,114	4,486,337	222,223
Settled Districts	1,400,940	1,709,314	308,374
Totals	5,615,054	6,145,651	530,597

Horses show an increase at the rate of 17 per cent., cattle at the rate of 15 per cent., and sheep at the rate of 9 per cent. The serious effects of the drought are perceptible in the very small increase of sheep, particularly in the pastoral districts. In many parts of the Colony the lambs were destroyed, to save the lives of the mothers.

The number of pigs in the Colony was 125,541, against 146,091 the previous year, exhibiting a decrease of 20,550, or at the rate of 14 per cent.

PART VI.

Monetary and Financial.

58. The tables connected with the monetary and financial concerns of the Colony present themselves next for consideration.

The course of exchange on London during the year was 7 per cent. on bills under 95 days currency, 8 per cent. on bills from 95 to 125 days currency, and 9 per cent. on bills having a currency exceeding 125 days. The minimum purchase rate by the banks was $\frac{1}{2}$ discount; the maximum was $1\frac{1}{4}$ premium.

The minimum selling rate was $\frac{3}{4}$ premium; the maximum $2\frac{1}{2}$ premium. Both the purchase and selling rates ruled higher than they did in 1861 by fully 1 per cent.

59. The rates of interest allowed by the banks on fixed deposits were—

For 3 months, 2 to 4 per cent. per annum.	Interest.
" 6 " 3 to 5 "	
" 12 " 4 to 6 "	

The savings' bank allowed five per cent. to depositors, and lent on mortgage at seven per cent.

60. The average amount of coin and bullion held by the banks was 1,625,897*l.*, against 1,547,390*l.*, Coin and the previous year; whilst the amount held at the end of the year was 1,404,715*l.*,* against 1,527,991*l.* Bullion. at the end of 1861; a decrease of 123,276*l.* In connexion with this subject, it may be remarked that

* Including coin and bullion in the Branch Royal Mint.

NEW SOUTH WALES. in no year of the last decennial period, excepting 1857, has the amount of coin and bullion held by the mint and by the banks been so small as it was at the end of 1862.

Paper currency. The average paper currency in circulation was 901,779*l.* against 887,429*l.* in 1861; whilst the notes in circulation on the 31st December 1862 were 857,486*l.*, against 868,359*l.* at the end of the previous year.

Bank deposits and discounts. 61. The quarterly average of the deposits in the several banks, and of the discounts for the two years 1861 and 1862, will be found by the following statement to exhibit an increasing accumulation of capital, and a larger amount of paper under discount, as well upon the year as upon each succeeding quarter of the year under review, viz.—

	—		Deposits.	Discounts.	
1st Quarter, 1861	-	-	£ 5,278,964	£ 5,567,780	
1st Quarter, 1862	-	-	5,267,197	5,842,110	
Decrease	-	-	11,827	Increase 274,330	
2nd Quarter, 1861	-	-	5,235,947	5,450,537	
2nd Quarter, 1862	-	-	5,381,601	6,004,485	
Increase	-	-	145,654	Increase 553,948	
3rd Quarter, 1861	-	-	5,109,883	5,475,872	
3rd Quarter, 1862	-	-	5,501,360	6,270,793	
Increase	-	-	991,477	Increase 794,921	
4th Quarter, 1861	-	-	5,029,691	5,764,059	
4th Quarter, 1862	-	-	5,544,780	6,602,297	
Increase	-	£	515,089	Increase 838,238	

From the foregoing figures it will be noticed that at the end of the last year the amount of cash deposits in the several banks exceeded by half a million what they did at the end of 1861; and that, to meet the increasing requirements of trade, the notes and bills under discount exceeded by 838,238*l.* what they amounted to at the end of 1861.

Savings bank. 62. As the statistics of savings' banks may be taken to some extent as an index to the prosperity of the industrial classes, we will look into this return somewhat closely. It appears that the deposits at the end of the year, with accumulated interest, amounted to 782,612*l.* 5*s.* 7*d.* to the credit of 14,956 depositors, classed as under, viz.—

	—		Depositors.	Amount.	Average per Head.	
				£ s. d.	£ s. d.	
Up to £20	-	-	6,028	£ 47,515 7 3	7 17 7	
" 50	-	-	3,329	107,402 9 3	32 5 3	
" 100	-	-	2,621	186,689 14 8	71 4 6	
" 200*	-	-	2,795	317,671 1 11	113 13 1	
" 300	-	-	122	28,408 1 1	232 17 0	
Exceeding 300	-	-	61	28,695 2 4	470 8 2	
Totals	-	-	14,956	£716,981 16 6	47 17 11	

* It should be observed that interest is not allowed on sums exceeding 100*l.*

The comparison with the year 1861 stands as follows, viz.:—

	—		Depositors.	Amount.	Average per Head.	
In 1861	-	-	13,282	£ 615,408 17 1	46 6 8	
Increase	-	-	1,674	100,972 19 5	1 11 3	
In 1862	-	-	14,956	£716,981 16 6	47 17 11	

We observe by this statement an increase in the number of depositors to the extent of 1,674, and NEW SOUTH WALES.
 in the deposits to the extent of 100,972*l.* 19*s.* 5*d.*, or at the average rate of 1*l.* 11*s.* 3*d.* per head. This may be taken as a fair indication of increasing prosperity or of greater providence amongst the industrial classes. To whichever cause it is to be attributed, perhaps to both, the result of the comparison may be viewed with satisfaction.

63. As everything connected with the working of such admirable institutions as banks for the savings of the working classes must be viewed with interest, I subjoin a table showing the number of depositors, amounts deposited, the average to each depositor, and the proportion of depositors to the total population of the Colony for the seven years 1856 to 1862, by which it will be seen that whilst the average amount per head is not so large as it was in the earlier years, yet the number of depositors has increased from 1 in 27 in 1856 to 1 in 24 in 1862.

Year.	Population.	Number of Depositors.	Amount of Deposits.	Average Sums deposited to each Depositor.	Proportion of Depositors to Population.
1856	286,873	10,424	623,489 3 7	59 16 3	1 in 27
1857	305,487	11,269	638,480 11 0	56 13 2	1 in 27
1858	342,062	11,321	579,931 17 6	51 4 6	1 in 30
1859	336,572	11,919	568,187 19 3	47 13 4	1 in 28
1860	348,546	12,027	557,196 14 0	46 6 6	1 in 29
1861	358,278	13,282	615,408 17 0	46 6 8	1 in 26
1862	367,495	14,956	716,381 16 6	47 17 11	1 in 24

64. In connexion with the monetary affairs of the Colony, the operation of the Sydney branch of Coinage, Royal Mint. the Royal Mint demands passing attention. The increased production of gold noticed in a former part of this report has, as a matter of course, affected the coinage, as well as the bullion issued from the mint. We find, on reference to the Table No. 117., the comparison between 1861 and 1862 stands as follows, viz. :—

There was received for coinage—

	Ozs.	£
In 1861	477,607	1,863,632 value.*
In 1862	696,311	2,700,452 ,,
Increase in 1862	218,704	836,820 ,,

There was issued in sovereigns, half sovereigns, and bullion :—

	In Coin.	In Bullion.
In 1861	1,719,250	98,187
In 1862	2,477,500	298,191
Increase in 1862	758,250	200,004
Total	£958,254	

The revenue of the mint was 32,806*l.* 18*s.* 1*d.* in 1862, against 22,568*l.* 1*s.* 11*d.* the previous year. Since the opening of the Mint, on the 14th May 1855, there have been received for coinage 3,025,348 ozs. of gold, of the value of 11,790,417*l.*; and there has been issued—

	£
In coin	10,912,250
In bullion	871,399
Total value	11,783,649

The total revenue derived from the mint, during the eight years, has been 142,920*l.* 9*s.* 10*d.*

Public Accounts.

65. The state of the Public Accounts, in so far as relates to revenue and expenditure, forms a Revenue, proper subject for consideration in analysing the year's statistics. The tables are compiled from the statement of the Auditor General, and are numbered 120 to 125.

The revenue and receipts for 1862 were 1,557,639*l.* 16*s.* 8*d.*, against 1,421,831*l.* 5*s.* 2*d.* the year before, showing a net increase of 135,808*l.* 11*s.* 6*d.* The following comparative statement will afford

* At 3*l.* 17*s.* 10*½d.* per oz.

NEW SOUTH WALES. an insight into the sources of income from which the total revenue is derived, and show the increase or decrease respectively under each general head, viz.:

	1861.	1862.	Increase.	Decrease.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Customs and Duty on Spirits distilled in the Colony	623,825 18 1	645,015 15 6	21,189 17 5	—
Gold and Mint Receipts	87,919 0 6	120,696 10 2	32,777 9 8	—
Lands	384,331 4 5	416,769 17 5	32,438 13 0	—
Rents, exclusive of Lands	20,207 15 1	22,675 10 6	2,467 15 5	—
Licences	71,858 19 9	74,002 15 5	2,143 15 8	—
Postage	48,167 18 6	56,305 5 3	8,137 6 9	—
Fines and Fees	30,227 9 5	29,115 14 5	—	1,111 15 0
Railways	75,629 15 2	97,029 9 11	21,399 14 9	—
Telegraphs	16,852 11 8	23,440 2 11	6,587 11 8	—
Miscellaneous	37,959 16 0	34,291 3 0	—	3,068 13 0
Pilot, Harbour, and Tonnage Dues	13,307 16 7	17,152 3 8	3,844 7 1	—
Immigration	12,143 0 0	21,145 8 6	9,002 8 6	—

Debentures.

The amount realized by the sale of debentures in 1862 was 644,285*l.* 9*s.* 6*d.*, against 394,457*l.* 5*s.* 6*d.* the previous year, that is, 249,828*l.* 4*s.* in excess of 1861. It should be understood that debentures are only issued to meet the exigencies of the services for which loans are authorized by Parliament. They are issued in sums of not less than 100*l.*, having, for the most part, 30 years' currency, and bearing interest at the rate of five per cent. per annum.

Expenditure.

66. The disbursements out of revenue in 1862 amounted to 1,369,328*l.* 15*s.* 2*d.*, besides an unclassified expenditure, consisting of interest on loans, &c. to the extent of 224,459*l.* 7*s.*; together, 1,593,788*l.* 2*s.* 2*d.*

The total expenditure in 1861 was 1,529,788*l.* 3*s.* 2*d.*; the increase in 1862 was, therefore, 64,000*l.*, minus 1*s.*

The receipts for 1862 were at the rate of 4*l.* 5*s.* 2*d.* per head of the population, and the disbursements at the rate of 4*l.* 7*s.* 2*d.*

Public Debt.

According to the Return No. 125, which will be found at page 148, the actual liability of the Colony, on account of loans, at the end of 1862 (secured upon the consolidated revenue), was 4,143,180*l.*, the annual interest payable on which amounts to 206,954*l.** The debt was as near as possible at the rate of 11*l.* 5*s.* 6*d.* per head of the population at the end of the year, and the interest at the rate of 11*s.* 3*d.* per head.

Taxes, duties,
&c.

67. At the end of the sixth part of the work will be found tables of taxes, duties, fees, &c. The customs duties remain the same as they have been since the remodelling of the tariff in the year 1855, with the exception of the duty on unmanufactured tobacco, which has been reduced from 2*s.* to 1*s.* per lb. by Act of Parliament, 25 Vict., No. 10., taking effect on 1st January 1862. These duties, as heretofore, form the only item of general taxation to which the people of the Colony are subjected. The amount of duties received at the Custom House on imports in 1862 was 609,372*l.*, and the duty paid on distilled spirits 35,643*l.*; together 645,015*l.*, or at the rate of 1*l.* 15*s.* 3*d.*† per head of the estimated population at the middle of the year.

PART VII.

Miscellaneous.

68. Part VII. of the volume consists of a number of miscellaneous returns which do not properly find a place under any of the previous heads.

The principal tables have reference to lands sold, granted, and selected; to mortgages on lands and live stock; to railway receipts and expenditure; public works; meteorology; post office; military and municipal matters; political franchise, &c.

* The actual amount of interest paid on loans in 1862 was 186,676*l.*

† The Customs Revenue in England amounts to 18*s.* 7*d.* per head, and in Ireland to 7*s.* 11*d.* per head; but other sources of taxation bring up the annual average per head of the population in England to 2*l.* 11*s.* 7*d.*, and in Ireland 1*l.* 2*s.* 11*d.*, viz.:—

ENGLAND.		
	s. d.	s. d.
Excise Duties	13 6	9 10
Stamp	7 6	1 10 $\frac{1}{4}$
Land and assessed taxes	2 11	0 9
Income tax	9 1 $\frac{1}{2}$	2 6 $\frac{3}{4}$

*Land Sales.*NEW SOUTH
WALES.

69. The quantity of land sold (otherwise than conditionally) during the year exhibits a considerable decrease on the Returns of 1861, as will be seen by the following statement, viz.:—

		1861.		1862.	
		Acres.	Amount.	Acres.	Amount.
Pastoral Districts	- -	107,129	£ 129,251	88,870	£ 50,217
Settled Districts	- -	82,807	126,029	28,422	48,512
Totals	- -	189,936	249,280	67,292	98,729

It appears, however, by the Return No. 161, that 357,280 acres have been sold conditionally, under the Crown Lands Alienation Act of 1861, upon which the first instalment of 5s. per acre has been paid, amounting to 89,320*l.*; together making 188,049*l.*

The balance payable in 1865 upon the lands conditionally sold amounts to 267,960*l.*

It would further appear by the same return, that the following lands were disposed of under the several conditions established by the Lands Alienation Act of 1861, at the average price stated, viz.:—

	Condition.	Area.	Average Price per Acre.					
			A.	R.	P.	£	s.	d.
Auction—Town Lands	- - -	489 1 4				25	5	6
" Suburban	- - -	1,420 2 2½				10	13	5
" Country	- - -	29,729 0 1				1	2	4
Selection after Failure by Auction or Forfeiture	{	22,846 2 24				1	1	2
Improved Lots sold to Owners of Improvements	{	3,470 0 0				2	3	4
Sold under Return of Water Reservation	-	2 2 0				6	8	0
Specially sold at appraised Price	-	6 3 0½				10	16	4
Reclaimed Land sold at appraised Price	-	2 0 9				24	16	0
Sold by Pre-emption	-	30,619 3 14				1	0	11
Sold "conditionally"	-	357,280 2 21				1	0	0
Total	- - -	445,367 0 35½				—		

The figures in this return differ materially from those given in Table 156, which gives the area sold "otherwise than conditionally," 67,292 acres; whereas we have here, exclusive of conditional sales, an area of 88,087 acres. This I am informed is owing to the pre-emptive purchases "actually paid" being included in one, and those "sanctioned, but not paid," in the other.

The actual receipts at the Treasury from the sale of lands in 1862 amounted to 216,988*l.*, against 222,594*l.* the year before.

Looking to the decennial table, and comparing the receipts of the two quinquennial periods, we find that the receipts of the first five years averaged 251,419*l.* per annum, and of the second five years 217,632*l.* per annum.

The total receipts during the latter five years amounted to 1,994,332*l.*, and of this sum 1,088,158*l.*, or 54·60 per cent., was derived from sales, and 906,174*l.*, or 45·40 per cent., from rent, assessments, and licences.

Public Works.

70. The return of public works carried on during the year exhibits a total expenditure of 687,895*l.*, classified as under, viz.:—

Railways	- - -	- - -	- - -	- - -	293,234
Electric telegraphs	- - -	- - -	- - -	- -	23,162
Main roads	- - -	- - -	- - -	- -	60,891
Bridges	- - -	- - -	- - -	- -	12,860
Harbours and river navigation	- - -	- - -	- - -	- -	84,381
Public works and buildings	- - -	- - -	- - -	- -	105,040
Minor roads and bridges	- - -	- - -	- - -	- -	57,138
Works not under the immediate supervision of the government	- - -	- - -	- - -	- -	51,189
Total	- - -	- - -	- - -	- -	£ 687,895

NEW SOUTH WALES.

Of this sum it appears that there was some 295,901*l.* paid out of the general revenue, and 391,994*l.* charged to loans account.

Railways, Telegraphs, and Post Offices.

Traffic.

71. The railway returns for 1862 exhibit a largely increased traffic, both passenger and goods, compared with 1861.

The number of passengers (single and return) who availed themselves of this mode of travelling, on each of the great trunk lines, was as follows, viz.:—

	—	1861.	1862.	Increase.
Great Northern	- -	126,431	143,157	16,726
Great Southern	- -	253,707	353,970	100,263
Great Western	- -	58,882	92,129	33,247
Totals	- -	439,020	589,256	150,236

The goods traffic was—

	—	1861.	1862.	Increase.
		Tons.	Tons.	Tons.
Great Northern	- -	59,538	156,230	96,692
Great Southern	- -	36,290	40,755	4,465
Great Western	- -	5,300	8,152	2,852
Totals	- -	101,128	205,137	104,009

The receipts for each of the two years from the coaching traffic were—

	—	1861.	1862.	Increase.
		£	£	£
Great Northern	- -	11,393	14,205	2,812
Great Southern	- -	31,418	37,272	5,854
Great Western	- -	7,720	12,061	4,341
Totals	- -	50,531	63,538	13,007

The receipts from the goods traffic were—

	—	1861.	1862.	Increase.
		£	£	£
Great Northern	- -	6,787	12,744	5,957
Great Southern	- -	14,097	17,155	3,058
Great Western	- -	2,781	7,001	4,220
Totals	- -	23,665	36,900	13,235
Coaching and Goods	-	74,196	100,438	26,242

Expenditure.

The working expenses of each of the two years were as follows, viz.:—

	—	1861.	1862.	Increase.
		£	£	£
Great Northern	- -	16,230	19,992	3,762
Great Southern	- -	39,445	42,001	2,556
Great Western	- -	5,719	7,032	1,313
Totals	- -	61,394	69,025	7,631

The general results from the foregoing statements may be summed up thus; that, whilst the receipts have increased 35 per cent., the expenditure has increased only 12 per cent.

The expenditure of the year 1862 in the construction and extension of railways was as under:— NEW SOUTH WALES.

Northern line	-	-	-	-	110,096
Southern line	-	-	-	-	126,929
Western line	-	-	-	-	72,337
Total	-	-	-	-	£ 309,362*

72. The working of the electric telegraph continues to exhibit marked success. The comparison with 1861 shows as follows, viz.:— Electric Telegraph.

—	1861.	1862.	Increase.
Number of Telegrams	74,204	104,660	30,456
Amount received	£ 16,931	£ 25,081	£ 8,150

The distance travelled by the telegraphic wire in 1862 was 2,539 miles.

73. As postal matters are made the subject of a special report by the Postmaster-General, I need only here notice the general results.

The number of offices was increased from 340 in 1861 to 368 in 1862, and the extent of postal lines was increased from 9,569 miles in 1861 to 11,211 in 1862. The income and expenditure for each of the two years were—

—	1861.	1862.	Increase.
Income	£ 48,167	£ 56,305	£ 8,138
Expenditure	81,185	81,514	329

The excess of expenditure over income was £33,018 in 1861, and £25,209 in 1862, showing a decrease of £7,809 on the working of the latter year, although the distance run was increased by 1,642 miles.

Meteorology.

74. The following figures will afford a comparative view of the rain-fall in the two years 1861–2 at the stations where observations were taken and recorded in an unbroken series.

—	Height above Sea.	1861.		1862.		Difference.	
		Rain-fall.		Rain-fall.			
		Feet.	Inches.	Days.	Inches.	Days.	Inches.
Armidale	-	8,278	41.08	143	17.17	99	23.91
Bathurst	-	2,333	29.82	91	16.87	59	12.95
Cooma	-	2,637	15.40	116	14.41	98	0.99
Goulburn	-	2,129	23.52	104	16.35	66	7.17
Sydney	-	145	58.36	157	23.99	109	34.97

The average fall of rain for the five places was 33.63 inches in 1861, and 15.87 inches in 1862. The average number of days in which rain fell was 122 in 1861 and 86 in 1862.

The observations taken at other places, being incomplete, cannot be used for the purpose of comparison.

The average rain-fall in the colony, for each of the five years 1858 to 1862, would appear to present the fluctuations shown below, viz.:—

—	Number of Days.	Inches.
1858	123	30
1859	104	27
1860	124	43
1861	117	34
1862	79	16

* Including trial surveys, compensation for land, &c. &c.

NEW SOUTH
WALES.

The irregularity of the observations at different places, in different years, will, however, admit of this result being taken as an approximation only to the truth.

Mortgages on
land.

75. The amount lent upon mortgage of real estate was less in 1862 than in any year since 1856, owing, doubtless, to the depreciation in the value of land, which is particularly evidenced in the returns of the last two years. The operations of the last five years, as exhibited in the figures below, will be found to support this view of the case, viz.:—

Year.	Mortgages.		Discharges.	
	No.	Amount.	No.	Amount.
1858	1,334	£ 705,337	386	£ 228,468
1859	1,122	874,643	406	289,760
1860	1,240	994,230	462	310,751
1861	1,150	691,233	483	315,282
1862	1,103	682,693	495	371,983

76. The liens on wool in 1862 do not reach one half the amount registered in 1861, whilst the mortgages on live stock show a result considerably in excess of the sum lent in that year. As the operations of the five years 1858 to 1862 may probably convey an approximate idea of the extent of capital invested in pastoral pursuits, by showing the sums lent upon this species of property, I append a statement of them:—

Year.	Liens on Wool.	Mortgages on Live Stock,
1858	- - £ 134,006	£ 968,405
1859	- - 195,670	1,516,710
1860	- - 112,752	1,614,890
1861	- - 178,797	1,120,384
1862	- - 87,487	1,312,245

The actual amount of mortgages on live stock registered in the general registry office during the five years was 6,532,635*l.*, and the discharges registered during the same period amounted to 2,615,695*l.*, leaving an undischarged balance of 3,916,940*l.* at the end of the last year on the register; but to what extent the balance may have been reduced by unregistered discharges I have no means of knowing.

Insolvencies.

77. The number of insolvencies in 1862 was smaller than in either of the four previous years, and the amount of liabilities under one half. The following statement will show at a glance the improvement in trade indicated by these returns, viz.:—

Year.	Number of Insolvencies.	Liabilities.	Assets.	Deficiency.
1858	- - 386	£ 689,112	£ 453,189	£ 235,923
1859	- - 348	499,787	241,385	258,402
1860	- - 511	885,825	541,745	294,080
1861	- - 463	589,727	335,340	254,387
1862	- - 314	263,867	155,593	108,274
Totals	- - 2,022	2,878,318	1,727,252	1,151,066

By this statement we perceive that during the five years there have been 2,022 insolvencies, the aggregate liabilities amounting to 2,878,318*l.*, the assets being estimated at an average of 60 per cent., and the deficiency at an average of 40 per cent. Whether the actual results, on the winding up of the different estates, were as favourable as here indicated, there are no returns to show.

Military.

Volunteers.

78. The number of volunteers on the roll of the several companies, at the end of 1862, was 2,044, exclusive of the mounted rifles, the strength of which corps is not given in the return.

The strength of the artillery has increased from 267 in 1861 to 336 in 1862.

The Sydney Battalion of Rifles, consisting of 8 companies, which mustered 769 men in 1861, are NEW SOUTH WALES. reduced to 742, averaging 93 men to each company.

The Suburban Battalion, consisting of 6 companies, can boast of a small increase in its strength, from 363 in 1861 to 371 in 1862, averaging 62 men to each company.

The Local (Country) Corps, comprising 7 companies, show a small decrease in number, from 590 men in 1861 to 571 men in 1862, averaging 81 to each company.

Political Franchise.

79. The number of registered electors on the electoral rolls was 107,081, against 106,189 in 1861; an increase of 892. It would appear that 29 per cent. of the total population of the Colony, and 52 per cent. of the total male population, have the privilege of voting for members to serve in the Legislative Assembly. By the census of 1861 the proportion of males under 20 years of age to the total male population was 42 per cent., leaving 58 per cent. of 20 years old and upwards. It would appear, therefore, seeing that 21 is the age entitling persons to the franchise, that few, if any, who are entitled to vote, can be omitted from the rolls, there being a margin of only 6 per cent. to include the males of the age between 20 and 21 and such as may have escaped registration.

Miscellaneous.

80. Amongst the returns remaining to be noticed are those which relate to political and municipal affairs, to military expenditure, and to civil justice. I shall leave these, however, to speak for themselves, as they appear to present no new features calling for particular notice.

The passing comments which the perusal of the tables have called forth, and the figures which have been introduced to illustrate the results of the inquiry, will convey a general idea of the progress of the country during the year that has passed. Whilst there has been no very extraordinary development in any of the known resources of the country, nor any discovery of new fields of enterprise, excepting perhaps the opening of the silver mine at Moruya, the year has been marked by steady improvement in all the main branches of industry.

Trade has been more active, mining operations have been more successful, manufactures show a steady increase, more land has been brought into cultivation, and more capital has been directed to pastoral pursuits. Exceptional circumstances, however, intervened to rob the husbandman and small stockholder, in many parts of the country, of a fair return for their labour and capital. The drought which commenced in the early part of the year, and continued with almost unintermitting severity to its close, deprived the farmer in many districts of the fruits of his industry, and brought ruin to the door of many a small stockholder.

The evil effects of this visitation cannot be reduced to figures, but the great deficiency in the wheat and potato crops, and the small increase exhibited in the live stock returns (in the number of sheep more particularly), afford ample indication of its sinister influence.

81. In bringing this lengthy report to a close, I would take leave to recommend that a sum of money—say two thousand pounds—may be asked for from Parliament, to enable the Registrar-General to employ his own officers in the collection of the annual returns of agriculture and live stock. This course has been pursued in Victoria with very satisfactory results. The returns are more reliable, and are presented to Parliament with greater regularity, than was possible when the collection was intrusted to the police. The collection by the constabulary is open to two serious objections;—firstly, it interferes with their ordinary duties, and therefore is treated as of secondary importance; and, secondly, it challenges opposition on the part of those from whom information is sought, by reason of the feeling of compulsion associated in the minds of many persons with the functions of a policeman. Others, again, think the inquiry impertinent, or that the information may be used against their interest, in the shape of taxation of some sort or other.

All these objections have been overcome in the sister Colony, and the apprehensions of the farmers and stockholders for the most part allayed, by the employment of special collectors, under the Registrar-General, whose duty it is to explain the nature and purpose of the inquiry, and the importance of the results to the public at large, as illustrative of the settlement and progress of the country, and who are enjoined to strict secrecy as to the information supplied to them.

82. It is still a matter of regret that I am unable to present the statistics to you at an earlier period of the year. There is no reason why the returns, if promptly sent in at the time prescribed, should not be ready to place before Parliament by the middle of the year at the latest. The delay is not in the compilation, but in the difficulty of collection. Reminders have little effect, and when the returns at last come in they often bear evidence of having been prepared without due care, and not infrequently have to be returned for correction.

The compiler will take it as a favour, should any one discover any error or omission in the work, if he will point it out. It is not to be expected that the work can be preserved from the possibility of error; and the compiler would earnestly impress upon those who are charged with the duty of furnishing returns the necessity of looking carefully to their preparation. It is impossible for the compiler to prepare accurate returns from inaccurate data, and the necessary information to enable him to detect errors is rarely within his reach.

Statistics to be valuable must be accurate, and it has been my object, since the compilation of the annual tables was placed in my hands, to present them in a methodized shape, so as to be readily understood, and by the exercise of every possible care to impart to them such a degree of reliability as may fairly entitle them to public confidence.

I have, &c.

CHRIS. ROLLESTON,
Registrar-General.

REPORTS EXHIBITING THE PAST AND PRESENT

STATISTICAL VIEW of the PROGRESS of NEW SOUTH WALES for the last TEN YEARS, 1862 inclusive.

Year.	Population.	Births.	Marriages.	Deaths.	Schools.		Convictions.	Mills, &c.	Manufactories, Works, &c.	Number of Acres under cultivation.	Live Stock.			Coal raised.	Land Sales.	
					Schools.	Number of Scholars.					Horses.	Horned Cattle.	Sheep.	Pigs.		
1853	231,088	8,860	2,560	4,176	420	25,660	604	143	141	139,014‡	139,765	1,553,885	7,929,708	71,395	78,059	211,085
1854	251,315	9,063	2,761	4,511	413	25,963	637	140	146	131,857	148,851	1,576,750	8,144,119	63,265	119,380	219,533
1855	277,579	10,344	2,765	4,022	476	27,243	526	147	135	171,100‡	158,159	1,858,407	8,002,499	68,091	89,063	276,636
1856	*280,873	10,097	2,778	4,203	565	29,426	461	154	134	186,033‡	168,920	2,023,418	7,736,323	105,998	117,906	245,535
1857	305,487	12,501	2,902	4,846	550	29,236	395	157	128	184,513‡	180,053	2,148,664	8,139,162	109,166	143,158	210,533
1858	342,063	13,802	2,992	5,883	653	33,236	415	169	295	223,295‡	200,713	2,110,604	7,581,762	92,843	162,162	240,633
1859	†338,572	14,415	3,295	5,642	739	32,840	406	177	540	247,542‡	214,684	2,190,976	5,162,671	119,701	204,371	255,837
1860	346,546	14,233	2,945	6,562	798	34,767	405	193	745	260,798	251,497	2,408,586	6,119,163	180,663	226,403	155,316
1861	358,278	14,681	3,223	5,343	849	37,874	437	184	788	297,575	233,920	2,271,923	5,615,054	146,091	218,820	223,594
1862	367,405	15,434	3,326	6,524	925	42,811	514	181	859	302,138‡	273,389	2,620,383	6,145,851	125,541	305,234	214,905

(continued.)

Year.	Shipping.				Exports, the Produce of the Colony.						Value of Total Imports.	Value of Total Exports.	Revenue.		Expenditure.		
	Inwards.		Outwards.		Wool (Value).	Tallow and Lard (Value).	Oil, &c. (Value).	Gold.		Coal.			General.	Loans.	Ordinary.	Loans.	
	Number of Vessels.	Tonnage.	Number of Vessels.	Tonnage.				Quantity.	Value.	Value.							
1853	1,048	336,852	1,061	341,540	909,896	134,708	£	25,490	Ozs. 548,052	£ 1,781,172	£ 81,078	6,342,397	£ 4,523,346	£ 828,725	£ 158,752	£ 632,621	£ 50,000
1854	1,058	376,927	1,112	409,489	1,181,956	164,256	28,155	237,910	773,200	101,752	5,981,063	4,050,126	1,004,467	234,680	966,560	170,000	
1855	1,152	353,323	1,185	362,463	1,078,017	123,255	20,770	64,384	209,350	58,893	4,668,519	3,884,130	900,969	859,721	886,734	788,300	
1856	1,143	321,679	1,219	336,113	1,303,070	137,202	25,355	42,463	138,007	65,730	5,460,971	3,430,880	1,130,014	866,539	1,146,468	688,636	
1857	1,100	351,413	1,204	377,147	1,275,067	82,134	32,306	253,564	963,850	45,960	6,729,408	4,011,952	1,185,562	346,575	1,104,995	438,333	
1858	1,141	345,984	1,254	366,825	1,126,486	53,186	1,450	254,907	994,960	89,200	6,059,366	4,186,267	1,379,675	76,776	1,209,796	360,776	
1859	1,250	363,121	1,299	387,015	1,458,005	37,275	532	435,995	1,698,078	132,964	6,597,063	4,768,049	1,522,668	816,822	1,425,038	433,136	
1860	1,424	427,885	1,438	431,484	1,123,699	28,794	136	483,012	1,870,049	183,761	7,519,285	5,078,020	1,319,779	560,729	1,831,724	726,331	
1861	1,327	366,236	1,391	379,460	1,306,426	60,816	—	468,293	1,890,906	180,965	6,391,555	5,594,839	1,448,610	394,457	1,540,005	483,324	
1862	1,403	454,837	1,568	467,356	1,283,818	104,030	—	699,566	2,715,037	245,423	9,334,645	7,102,563	1,628,885	644,285	1,608,810	526,706	

* The Census was taken in 1856, population as above.

1st March 1856 " 266,189

1st March 1861 " 350,860

† The reduction in the year 1859 was caused by the separation of Queensland from New South Wales.

‡ These figures exceed those in previous tables by the addition of Boiling-down Establishments.

QUEENSLAND.

QUEENS-
LAND.No. 16.

COPY of a DESPATCH from Governor-General Sir G. F. BOWEN to the
 (No. 20.) DUKE of NEWCASTLE, K.G.

Government House, Brisbane, Queensland,
 May 12, 1863.

MY LORD DUKE,

I HAVE the honour to transmit herewith six copies of the Statistical Register of Queensland for the year 1862. Prefixed is the usual Report of the Registrar General, for publication in the annual Parliamentary "Blue Book," exhibiting the general condition of the British Colonies.

In the concluding paragraph of the speech with which I recently opened the Session of the Queensland Parliament for 1863, I took occasion to congratulate the Legislature on the very remarkable results exhibited by the Statistical Register for the preceding year; of which I added the following brief analysis:—"It will be seen that our population has doubled during the period of little more than three years which has elapsed since the erection of these districts into a separate Colony. In all the other items the returns show the progress of only two years, and yet during that brief interval our revenue and trade (including both imports and exports) have nearly doubled. The shipping, inwards and outwards, has increased by 75 per cent. Pastoral occupation has advanced further towards the north and west over fully 400 miles of our territory. The amount of land brought under cultivation has also increased by 100 per cent.; and cotton has become one of our permanent staples. The returns of the amount of coin and bank notes in circulation, and of the live stock in 1862, when compared with the figures of 1860, exhibit an almost equal rapidity of progress."

3. It appears that, with the single exception of golden Victoria, in the first few years of its political existence, no other province of the empire has ever made such rapid progress as Queensland; and there is every reason to believe that our prosperity is solid and permanently progressive.

4. It will be observed from the date of this Despatch that I am this year enabled to forward the statistical returns of Queensland at an earlier period than seems to be usual of late in most of the principal colonies. For example, the Reports transmitted with the Colonial Statistics for 1860 from Australia and America were so much in arrear that they could not be published in London before the middle of 1862; that is, when they were 18 months old. In the case of long-settled and nearly stationary communities, this delay may not be of much importance; but in the case of Colonies progressing at the rate of Queensland it deprives the statistics of their practical value, and leaves to them merely an historical interest; and even that only, perhaps, in the sense in which history has been termed an "old almanack."

5. With the view of preventing for the future the inconvenience at which I have glanced, I this year recommended the Government of Queensland to put strictly in force in this Colony that part of the Queen's Colonial Regulations (Chapter VII. Sect. 4.) which provides for the stoppage of the salary of any public officer who may neglect to furnish the returns required from him during the first quarter of each year. My recommendation was adopted; and the consequence is, that the statistics were ready in good time. I venture to submit that a similar change would probably take place throughout the provinces of the Empire were the Colonial Office to issue a Circular directing the strict observance of Her Majesty's Regulations in this respect in the Crown Colonies, and recommending them for adoption in those Colonies where Parliamentary Government has been established.

His Grace the Duke of Newcastle, K.G.
 &c. &c. &c.

I have, &c.
 (Signed) G. F. BOWEN.

Enclosure 1 in No. 16.

Encl. 1 in No. 16.

REGISTRAR-GENERAL'S REPORT on the STATISTICAL REGISTER for 1862.

To the Honourable Robert George Wyndham Herbert, Esq., Colonial Secretary, &c., &c.

SIR,

I have the honour to forward to you, for the information of his Excellency the Governor, "The Statistical Register or Blue Book of the Colony of Queensland, for the Year ending the 9127.

M

QUEENS-
LAND.
—

31st December 1862," to which I have added, as on former occasions, a short report, containing some comparative tables illustrative of the rapid progress made by the Colony since its formation, and drawing attention to a few of the conclusions to which a consideration of these returns naturally leads.

Parliamentary.

The year 1862 was distinguished by two sessions of Parliament, being respectively the third and fourth of the first Parliament of Queensland. On the first meeting, Parliament sat only for a few days to pass an Act to prevent the introduction of diseased cattle into the Colony, and was then prorogued by proclamation. The second session was opened by his Excellency the Governor in person, on the 29th of April, and was prorogued by him on the 9th July. As regards the business of this session, a reference to the tables in the Register, Nos. VII. and VIII.,* shows that the number of bills passed was small in comparison with the number introduced. Amongst the most important Acts of the session were "The Common Law Procedure Act," "The Marine Board Act," and "The Additional Judge Act."

The Legislative Assembly sat on 36 days, for an average each day of nearly 3 hours 47 minutes; the number of daily sittings being less, and the average length of each being shorter, than in the first or second sessions of this Parliament.

Having found much difficulty on various occasions in ascertaining the total amounts voted for the service of any particular year, or for any particular department, I have prepared the two following tables marked A. and B., affording that information, the former showing the amounts voted for the service of each year, and the latter showing the sums voted for each of the more important heads of expenditure.

A.—TABLE showing the AMOUNTS VOTED by the PARLIAMENT of QUEENSLAND for the SERVICES of each Year since the Foundation of the Colony, and the particular Acts by which they were appropriated.

No. of Appropriation Act.	For which Year's Service.	Amount of each separate Sum voted.	Total Amount voted for each Year.	Remarks.
	Last Month of	£ s. d.	£ s. d.	
25th Victoria, No. 20.	- 1859	2,213 12 11	2,213 12 11	
24th Victoria, No. 8.	- 1860	137,134 0 0		
24th Victoria, No. 17.	- 1860	16,835 0 0	164,525 17 7	
25th Victoria, No. 20.	- 1860	10,556 17 7		
24th Victoria, No. 17.	- 1861	203,973 0 0		
25th Victoria, No. 20.	- 1861	30,032 1 6	270,483 19 10	
26th Victoria, No. 10.	- 1861	36,478 18 4		
25th Victoria, No. 20.	- 1862	204,032 5 10	279,151 1 5	
26th Victoria, No. 10.	- 1862	75,118 15 7		
26th Victoria, No. 10.	- 1863	296,336 0 0	296,336 0 0	

B.—TABLE showing the AMOUNTS voted for the SERVICES of the PRINCIPAL HEADS OF EXPENDITURE in each of the Years 1862 and 1863.

Heads of Expenditure.	Year.		Remarks.
	1862.	1863.	
Administration of justice, gaol, and sheriff	£ s. d.	£	
Crown lands, occupation and sale of	11,885 15 11	11,332	
Customs and bonded stores	35,147 0 0	40,264	
Education	7,389 0 0	8,890	
Harbours, lights, pilotage, and Marine Board	11,000 0 0	11,000	
Immigration	8,625 0 0	7,816	
Police, native ditto	2,865 0 0	5,550	
Post Office and conveyance of mails	44,368 0 0	44,896	
Public works	21,823 0 0	24,438	
Roads and bridges	27,094 0 0	28,070	
	49,841 0 0	41,670	

In addition to the above sums in Table B, the raising of a sum of money by way of loan not to exceed 123,800/- ls. to be expended on immigration and on certain permanent works, was authorized by Act of Parliament (25th Victoria, No. 3). 129,432/- 12s. 5d. have been thus raised at a premium varying from four to five per cent., by the sale of debentures bearing six per cent. interest. The departments whose expenditure has been supplemented from this source are the following:—

* None of the Tables attached to the Registrar General's Report, are printed.

	1860 and 1861.	1862.
Public works	£ s. d.	
Bridges	57,853 7 2	
Immigration	356 14 0	
	5,000 0 0	
	68,210 1 2	

On referring to Table B above, the large sum voted for police will, doubtless, attract notice, and certainly when compared with the population of last year, calculated to the 1st July, it seems at first sight exorbitant, amounting to 17. 2s. 7½d. per head; in other words, the people of Queensland pay considerably more per head for police alone than the people of Great Britain and Ireland pay per head towards the support of the British army and navy, as well as of the police of the United Kingdom. It is to be remembered, however, that the extension of the machinery of protection over our vast and sparsely inhabited territory, entails a very large expenditure. In 1862, a sum of no less than 17,828*l.* was voted for the native police alone; although the muster-roll of that force, according to a report from the Commandant for the month of January 1863, shows only the following effectives, viz., 1 commandant, 4 lieutenants, 8 second lieutenants, 7 cadets, 1 sergeant-major, 13 camp sergeants, and 114 black troopers. It thus appears that the number of commissioned officers paid to command little more than 100 effective black troopers amounts to one-half of the full complement allotted by the War Office to an English regiment, 1,000 strong. Again, a full garrison battery of the Royal Artillery, consisting of 1 captain commanding, 5 officers, 21 non-commissioned officers, and 98 gunners, in all 125, costs only 7,544*l.* per annum, including pay, allowances, provisions, forage, &c. It follows, that the native police corps of Queensland, with its effective force of little more than 100 blacks, costs more than twice as much as a battery of the Royal Artillery, composed of about an equal number of the most highly paid, the most highly disciplined, and the most efficient soldiers in the whole British army.

Electoral.

The number of electors given in Table No. II. of the Register is the number as they stood at the revision of the Rolls in March 1862. The results of the revisions in the present year have not yet reached me.

Municipalities.

The following is a return of the Municipalities in Queensland on the 31st December 1862, showing the date of their establishment, and comparing their receipts and expenditure for the years 1861 and 1862.

C.

Name of Municipality.	When established.	1861.			1862.		
		Receipts.	Expenditure.	Receipts.	Expenditure.		
Brisbane	13 October 1859	£ s. d.	£ s. d.	£ s. d.	£ s. d.		
Ipswich	February 1860	4,477 19 2	14,788 0 3	9,542 0 5	12,633 12 11		
Toowoomba	1 December 1860	4,890 2 5	6,095 8 11	3,291 18 4	5,953 19 7		
Rockhampton	25 February 1861	1,205 16 6	1,197 16 5	5,147 2 3	4,320 2 2		
Maryborough	26 April 1861	181 12 0	869 10 0	3,539 6 6	8,874 3 7		
Warwick	25 May 1861	No returns.	No returns.	1,343 13 3	1,258 13 8		
Drayton	29 September 1862	455 5 0	100 0 0	1,719 8 5	2,394 5 10		
		—	—	166 2 9	115 5 5		
Total	-	11,210 15 1	23,050 15 7	24,749 11 11	35,550 3 2		

It will be observed from the foregoing table that the number of municipalities is larger than it was in 1861, and that both their receipts and expenditures have greatly increased. The difference between the receipts and expenditure of 1862 is not so great as it was in 1861; it is not quite clear, however, how large a portion of the sums entered under the head of receipts in the year 1862 has been raised by loans. Money raised in this manner can hardly be considered in the light of revenue, although it is so entered in some of the municipal returns.

Climate.

The Meteorological Tables, numbered from LXXIX. to LXXXVII. inclusive, have been prepared by the Meteorological Observer with his usual care. They show the climate of the past year to have been one of extremes; the thermometer in the shade both rose higher and fell lower than 1861; the temperature in the one year ranging from 99·7° to 37·0°, in the other, from 100·2° to 31·0°. The quantity of rain that fell in 1861 was 69·49 inches; in 1862 it was only 28·27. The latter has, therefore, been a year of drought, and has been followed by the heaviest and most disastrous floods

known since the year 1841; the fall of rain, however, which occasioned them, belongs to the Meteorological Tables of 1863. The very small rain-fall which occurred in 1862 was accompanied by a more than usually large amount of evaporation, namely, 72·265 inches; the evaporation in 1861 was 61·793 inches. The greatest daily range in the temperature of the air occurred on the 1st November, the highest and lowest readings of the thermometer on that day differing by 39·9°. In 1861 the greatest daily daily range was 37·6°. It may perhaps be worth observing, that the peculiar state of the atmosphere during the past year has been accompanied by an unusually large mortality, particularly among children.

Population.

The white population of the Colony on the 31st December 1862 is estimated to have numbered 45,077 souls, no account being taken in this estimate of the arrivals and departures by land. Persons who reside in the border districts, and are, therefore, best able to express an opinion, state positively that our population annually receives overland a considerable accession to its number. As the means of testing the accuracy of this assertion are wanting, the estimate of the population has necessarily been made without reference to it. Nor is it possible to make even the most vague estimate of the present number of the aboriginal population. The estimated number of the white population on the 31st December 1861 was 34,367; the increase has therefore been in the high ratio of 31·16 per cent., and is to be traced to the following sources:—

Direct European Immigration	-	-	-	-	8,080
From neighbouring Colonies	-	-	-	-	1,725
From natural increase	-	-	-	-	905
Total increase	-	-	-	-	10,710

The first two items will be more fully alluded to under the head of Immigration. Under the head of Natural Increase several points offer themselves as worthy of consideration. First, it may be deduced from the following quarterly table of excess of births over deaths, marked D, that the centesimal increase from this cause is not so great as in former years. It is only at the rate of 2·27 per cent. of the estimated average population of 1862; whereas in the year 1861 it was at the rate of 2·92 per cent. It will also be observed, by reference to tables E. and G., that whilst the births of 1862 exceed those of 1861 in the ratio of only 19·61 per cent., the deaths of 1862 exceed those of 1861 in the ratio of 59·40 per cent. The increased mortality of the year has principally taken place in the maritime towns of Rockhampton, Maryborough, and Brisbane, young children (vide Table H.) having been in each case by far the most numerous victims. Many causes suggest themselves as probably assisting the exceptional season in this much to be lamented mortality; but this is not the place, nor is it my province, to enlarge on them. My duty is simply to point out the fact, and I leave it to others more conversant with the subject to say how far it is remediable. In a climate always and with truth considered favorable to human life, it certainly is lamentable to see 27·85 per cent. or more than one fourth of all the children born in the larger towns die before completing their first year, and nearly one half die before reaching five years of age.

D.—POPULATION OF QUEENSLAND on the 31st December 1862.

	Males.	Females.	Total.
Excess of births over deaths during 1st quarter	58	109	167
Increase from excess of immigration over emigration during 1st quarter	1,042	756	1,798
Increase during 1st quarter	1,100	865	1,965
Excess of births over deaths during 2d quarter	117	138	255
Increase from excess of immigration over emigration during 2d quarter	1,079	532	1,611
Increase during six months	2,296	1,535	3,831
Excess of births over deaths during 3d quarter	147	153	300
Increase from excess of immigration over emigration during 3d quarter	2,181	1,262	3,443
Increase during nine months	4,624	2,950	7,574
Excess of births over deaths during 4th quarter	65	118	183
Increase from excess of immigration over emigration during 4th quarter	1,686	1,267	2,953
Total increase during 1862	6,375	4,335	10,710
Estimated population on the 31st December 1861	20,811	13,556	34,367
Estimated total population on the 31st December 1862	27,186	17,891	45,077

Another very remarkable fact is the large number of males who have died compared with females, viz., 516 to 281, or 183·66 males to each hundred females. Making every allowance for the larger number of the male population, there still remains the singular fact that males have died faster than females in the ratio of 130·14 of the former to 100 of the latter.

E.—TABLE showing the NUMBER of BIRTHS in each of the Two Years 1861 and 1862, also the Proportion of Females to Males born in each Year.

District.	1861.			1862.			Numerical Increase in the latter Year.	Increase per Cent. in the latter Year.	Proportion of Females born to each 100 Males born in the Year 1861.	Proportion of Females born to each 100 Males born in the Year 1860.
	M.	F.	Total.	M.	F.	Total.				
Brisbane	248	206	454	300	286	586	132	29·08	83·06	95·33
Ipswich	154	174	328	183	127	310	A Decrease.	112·99	69·39	
Warwick	61	60	121	75	82	157	36	29·75	98·36	109·33
Drayton	74	68	142	72	88	160	18	12·68	91·89	122·22
Dalby	53	35	88	39	32	71	A Decrease.	66·04	82·06	
Condamine	18	27	45	26	23	49	4	8·81	150·00	88·46
Gayndah	46	40	86	52	28	80	A Decrease.	86·96	53·92	
Maryborough	80	30	60	52	35	87	27	45·00	100·00	67·31
Taroom	8	10	18	11	21	32	14	77·78	125·00	190·91
Port Curtis	12	5	17	12	16	28	11	64·71	41·66	133·33
Rockhampton	35	29	64	73	60	133	69	107·81	82·86	82·19
Kennedy	—	—	—	8	1	9	9	—	—	12·50
Total	739	684	1,423	903	799	1,702	279	19·61	92·56	88·48

F.—TABLE showing the NUMBER of MARRIAGES solemnized in each of the two Years 1861 and 1862.

District and Year.	Church of England.	Church of Rome.	Presbyterian.	Wesleyan Methodists.	Independent.	Baptist.	Lutheran.	Congregational.	Registration Office.	Total 1861.	Total 1862.	Remarks.
Brisbane	19 1861 56 1862	18 42 38 24	20 16 13	16 11 13	2 1 —	12 10 —	4 20 —	16 18 —	5 20 —	113 — 241	—	
Ipswich	10 1861 15 1862	32 14 29 14	14 11 16	— — —	— — —	1 2 —	— 3 —	2 13 —	2 6 —	72 — 98	—	
Warwick	8 1861 11 1862	— 11 4 6	— 1 — 1	— — 1	— — —	— — —	— — —	— — —	2 1 —	21 — 23	—	
Drayton	13 1861 23 1862	— 9 — 13	— 1 — —	— 1 —	— — —	— — —	— — —	— — —	— 2 —	23 — 47	—	
Dalby	11 1861 8 1862	— 1 — 2	— — —	— — —	— — —	— — —	— — —	— 1 —	1 — —	14 — 10	—	
Condamine	3 1861 — 1862	— 1 — —	— 1 — —	— — —	— — —	— — —	— — —	— — —	1 1 —	6 — 1	—	
Gayndah	5 1861 1 1862	— 2 — —	— — — —	— — — —	— — — —	— — — —	— — — —	— — — —	8 7 —	20 — 19	—	
Maryboroough	3 1861 12 1862	— 4 6 —	— — — —	— — — —	— — — —	— — 10 —	— — — —	— — — —	7 11 —	15 — 39	—	
Taroom	— 1861 — 1862	— — 3 —	— — — —	— — — —	— — — —	— — — —	— — — —	— — — —	1 4 —	1 — 7	—	
Port Curtis	4 1861 4 1862	— — 1 —	— — — —	— — — —	— — — —	— — — —	— — — —	— — — —	3 7 —	7 — 11	—	
Rockhampton	4 1861 11 1862	— — 14 —	— — 22 —	— — — —	— — — —	— — — —	— — — —	— — — —	3 17 9	20 — —	27 — 73	—
Kennedy	— 1861 — 1862	— — — —	— — — —	— — — —	— — — —	— — — —	— — — —	— — — —	1 1 —	1 — 1	—	
Total	80 1861 141 1862	61 47 105 99	— 27 41 13	— 2 31 31	— 16 23 23	— 5 48 48	— 30 69 69	— 51 — —	320 — 570	— — —		

QUEENSLAND.

G.—TABLE showing the NUMBER of DEATHS in each of the Two Years 1861 and 1862, also the PROPORTION of FEMALES to MALES who died in each Year.

District.	1861.			1862.			Numerical Increase in the latter Year.	Increase per Cent. in the latter Year.	Proportion of Females who have died to each 100 Males died in the Year 1861.	Proportion of Females who have died to each 100 Males died in the Year 1862.	Remarks.
	Males.	Females.	Total.	Males.	Females.	Total.					
Brisbane -	99	45	144	150	126	276	132	91·66	45·45	84·00	
Ipswich -	72	36	108	75	42	117	9	8·33	50·00	56·00	
Warwick -	11	17	28	30	10	40	12	42·86	154·54	33·33	
Drayton -	43	9	52	38	21	59	7	13·46	20·93	55·26	
Dalby -	17	11	28	27	12	39	11	39·29	64·71	44·44	
Condamine -	13	7	20	19	9	28	8	40·00	53·85	47·37	
Gayndah -	31	4	35	35	9	44	9	25·71	12·90	25·71	
Maryborough -	10	4	14	23	8	31	17	121·43	40·00	34·78	
Taroom -	14	2	16	18	6	24	8	50·00	14·29	33·33	
Port Curtis -	7	—	7	3	2	5	A diminution of 2		—	66·66	
Rockhampton -	34	8	42	90	34	124	82	195·24	23·53	37·77	
Kennedy -	6	—	6	8	2	10	4	66·66	—	25·00	
Total -	357	143	500	516	281	797	297	59·40	40·06	54·44	

H.—TABLE showing the NUMBER of CHILDREN who have died in each of the Years 1861 and 1862.

District.	1861.			1862.			Increase in the Deaths of Children below Two Years of age.	Increase in the Deaths of Children Two and under Five Years of age.	Total Increase in the Deaths of Children below Five Years of age.
	Below Two Years.	Two and under Five Years.	Total below Five Years.	Below Two Years.	Two and under Five Years.	Total below Five Years.			
Brisbane -	59	9	68	126	37	163	67	28	95
Ipswich -	48	3	51	42	5	47	—	2	—
Warwick -	8	1	9	11	4	15	3	3	6
Drayton -	16	1	17	15	3	18	—	2	1
Maryborough -	4	2	6	15	2	17	11	—	11
Rockhampton -	5	—	5	40	6	46	35	6	41
Dalby, Condamine, Gayndah, Kennedy, Taroom, and Port Curtis -	29	3	32	47	9	56	18	6	24
Total -	169	19	188	296	66	362	127	47	174

I.—TABLE comparing the DEATHS of the Year 1862 with the BIRTHS of the same period of time.

District.	Deaths in 1862.	Births in 1862.	Greater Number of Births than Deaths in 1862.	Centesimal Increase in the Births of the Year 1862 over those of the Year 1861.	Centesimal Increase in the Deaths of the Year 1862 over those of the Year 1861.	Deaths have centesimally increased faster than Births.
Brisbane -	276	586	310	29·08	91·66	62·58
Ipswich -	117	310	198	—5·49*	8·33	18·82
Warwick -	40	157	117	29·75	42·86	13·11
Drayton -	59	160	101	12·68	13·46	0·78
Dalby -	39	71	32	—19·32*	39·29	58·61
Condamine -	28	49	21	8·81	40·00	31·19
Gayndah -	44	80	36	—7·50*	25·71	33·21
Maryborough -	31	87	56	35·00	121·43	86·43
Taroom -	24	32	8	77·78	50·00	27·78
Port Curtis -	5	28	23	64·71	—	—
Rockhampton -	124	133	9	107·81	195·24	87·43
Kennedy -	10	9	—1*	—	66·66	—
	797	1,702	905	19·61	59·40	39·79

* A decrease.

Table F shows a large increase in the number of marriages, the respective numbers of the years 1861 and 1862 being 320 and 570, the ratio of the year's increase being 78·12 per cent.

Immigration.

European immigration has, during the past year, assumed large dimensions. The introduction from the antipodes of upwards of 8,000 immigrants at an expense of 150,000*l.*, by this young Colony, whose whole population, male and female, young and old, was at the commencement of the year under 35,000, is a remarkable fact, and places in a striking light its territorial and financial resources. Leaving entirely on one side the numerous collateral benefits arising from an increase of population, and considering it only so far as it affects the item of revenue derived from import duties, the results are such as those who have not taken the trouble to calculate will hardly deem credible. For instance, if 100,000*l.* of debentures, redeemable in 20 years, and bearing 6 per cent. interest, were sold at current rates, namely, 4½ per cent. premium, and the money expended on the introduction of immigrants at 18*l.* per head, at the end of 20 years, by natural increase, the 5,805 immigrants so introduced would have swelled in number to upwards of 10,000. The increase in the customs revenue occasioned by this growing population, if calculated at current rates per head, would annually pay the interest on the original loan, and if the annual surplus were invested even at 6 per cent. interest, would form a reserve found sufficient to pay off the debentures on the day they became due, and a large sum, more than 120,000*l.*, would still remain to be handed over to the consolidated revenue; an amount far more than necessary to cover all the additional cost of collection by the Customs Department.

QUEENS-
LAND.

The actual number of European immigrants who arrived during the year 1862 was 8,080, of whom 6,172 were introduced under the Land Order system, and 1,908 arrived in vessels chartered by the Government. Of the total arrivals, 4,703 were males, 3,377 were females, these numbers being in the ratio of 71·81 females to every 100 males. As the relative numbers of the sexes of immigrants exhibit a less disparity than existed in the Colony on the 31st December 1861, the per-cent-age of females on the whole population of 1862 would be thereby increased, were it not that the intercolonial immigration has so strong a counteracting tendency as almost entirely to neutralize the progress towards equalization traceable to the former cause. The estimated number of females to every 100 males of the entire population on the 31st December 1862 is 65·81: on the 31st December of each of the years 1859, 1860, and 1861 the ratios are respectively 66, 66, and 65 per cent. Much information on this important subject may be collected from the tables in the register, Nos. XXVIII. to XXXIII. inclusive.

The system of paying immigrants' passages from Europe by land orders has been most successful in drawing attention to this Colony; and as the balance of the intercolonial immigration continues still in favour of Queensland, although not nearly so largely as in 1861, it cannot be said that too many European immigrants have reached our shores. Experience, however, will probably show, that, like most other schemes, the present one is susceptible of some amendment. It may hereafter be found advisable that the Government should possess the power of checking the influx of undue numbers, and particularly of discountenancing their arrival in the middle of summer. The increased mortality during the hot months last year in all the seaport towns—greatly in excess of 2·01 per cent., which is the average mortality of the whole Colony, appears by the records in this office to have fallen chiefly on the recently arrived immigrants, and seems, I think, to show that exposure to the summer heat has an injurious effect on their health, and that the winter or autumn seasons should therefore be selected for their arrival. The following table, showing the deaths in each month of the year in each of the three towns and districts of Brisbane, Maryborough, and Rockhampton, apparently strengthens the above opinion, particularly if this return be compared with the monthly arrival of immigrants. For instance, the deaths in the three specified seaport towns in the two cool months of August and September amounted to 53, the arrivals of immigrants during those months having been 2,507; in the two hot months of November and December the arrivals were 2,745, only 238 more than in August and September, but the deaths numbered 146.

Deaths.

	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.			
Brisbane	-	-	-	22	11	23	26	16	16	14	11	22	14	45	55
Maryborough	-	-	-	2	1	2	4	—	1	—	5	2	7	5	2
Rockhampton	-	-	-	9	5	25	7	7	10	5	8	5	4	15	24
Total	-	-	-	33	17	50	37	23	27	19	24	29	25	65	81
Arrivals of European Immigrants	-	807	—	—	529	—	367	320	1,664	843	527	1,954	791		

As regards the intercolonial arrivals and departures, it appears that the number of arrivals is greater than that of departures, and that the Colony has gained during the year to the extent of 1,725 souls. This is a far smaller number than in 1861, in which year it amounted to 4,369; the difference is easily explained by the larger European immigration.

K.

1862.			Arrivals.					Departures.					Excess of Arrivals over Departures.		
			Brisbane.	Maryborough.	Port Curtis.	Rockhampton.	Port Denison.	Total Arrivals.	Brisbane.	Maryborough.	Port Curtis.	Rockhampton.	Port Denison.		
Males above 14	-	-	5,508	198	46	972	38	6,762	1,440	29	12	430	17	1,928	4,834
Males under 14	-	-	1,107	23	—	123	—	1,253	67	5	—	27	—	99	1,154
Total Males	-	-	6,615	221	46	1,095	38	8,015	1,507	34	12	457	17	2,027	5,988
Females above 14	-	-	2,644	161	14	323	8	3,150	293	10	1	55	5	364	2,786
Females under 14	-	-	968	22	3	93	1	1,087	45	2	—	9	—	56	1,031
Total Females	-	-	3,612	183	17	416	9	4,237	338	12	1	64	5	420	3,817
Total Persons	-	-	10,227	404	63	1,511	47	12,252	1,845	46	13	521	22	2,447	9,805

Education.

I am happy to have it in my power to report a large increase in the number of schools in the Colony and of the children who have attended them during the past year. First on the list appear the schools under the supervision of the Board of General Education, 13 in number, with a daily average attendance of 1,214 scholars; next come the Church of England schools, 5 in number, with 469 pupils. The private schools are 36 in number, with 1,377 pupils; and lastly the Sunday schools, 30 in number, with 1,865 scholars. There is therefore a total of 4,925 children who attend schools of one description or other. A comparison of these numbers with the meagre returns of 1860 must be very gratifying to the friends of education. On the other hand it is somewhat unsatisfactory to see how large a proportion of the persons taken into custody has been educated, at least to a certain extent; for of these persons one half could both read and write, and more than one half could read.

Crime.

The tables under this head, Nos. XL. to XLIII. inclusive, continue to show a marked exemption from crime of the more serious descriptions. The number of persons tried by jury is certainly larger than in the year 1861, but has not increased quite in the same ratio as the population. In that year the per-cent of the population tried by jury was 1·03; last year the per-cent was 1·02. It will be observed by comparing the tables above referred to that there is a wide difference between the number committed for trial by the Courts of Petty Sessions and the number who are actually put upon their trial; 84 persons appear to have been committed for trial, but only 55 to have been tried, and out of these 55 the number acquitted is 32.

The following TABLE shows the PROGRESSIVE DIMINUTION of CRIME of a serious Nature during the last Four Years.

Year.	Acquitted.	Guilty.	Total tried.	Per-cent of Population tried.	Per-cent of Population guilty.
1859	22	35	57	·23	·14
1860	11	30	41	·14	·10
1861	19	24	43	·13	·07
1862	32	23	55	·12	·05

Of the above convictions in 1862 two were for murder, eleven were for offences against the person, and twelve for offences against property. The following table, showing the number of persons taken into custody and dealt with summarily by the Courts of Petty Sessions, is satisfactory as regards minor offences against both person and property, but as regards drunkenness and vagrancy it is far the reverse.

TABLE comparing the NUMBER of PERSONS taken into CUSTODY and SUMMARILY CONVICTED or DISCHARGED by the several Courts of Petty Sessions in the Two Years 1861 and 1862.

Year.	Taken into Custody.				Convicted.				Committed for Trial.	Discharged.
	Offences against Person.	Offences against Property.	Drunkards and Vagrants.	Total taken into Custody.	Offences against Person.	Offences against Property.	Drunkards and Vagrants.	Total convicted.		
1861	497	361	1,187	2,045	356	201	1,043	1,600	99	346
1862	487	482	2,180	3,149	326	243	1,837	2,406	84	659
Increase	—	121	993	1,104	—	42	794	806	—	313
Decrease	10	—	—	—	30	—	—	—	15	—

Public attention cannot be too strongly drawn to the terribly rapid increase of drunkenness and vagrancy. It is true that the population has multiplied at the rate of 31·16 per cent., but even that large increase is small when compared with the increase of the above offences. An increase of 83·66 per cent. in the number taken into custody, and of 76·12 per cent. in the number punished for drunkenness and vagrancy, in one year, is not a pleasant contemplation for those who have the prosperity of the Colony at heart. It is impossible to avoid connecting the extraordinary number of sudden and accidental deaths of persons in the prime of life, 21·51 per cent., or nearly one fourth of the whole deaths of the year, and the far too numerous deaths of children, 45·53 per cent., or nearly one half of the total deaths of the year, with the prevalence of this degrading vice; and if in the majority of cases it cannot be actually shown to be the immediate cause of death, I fear that but little inquiry is needed in most instances to ascertain that it is so indirectly. As regards crime also, although the Colony can still boast of a remarkable immunity from the more serious descriptions, I apprehend that such cannot possibly continue to be the case in the face of a yearly increasing amount of drunkenness and vagrancy. It may also, whilst on this subject, be as well to remark that the number of public houses in the Colony has increased in one year from 139 to 193, and it is remarkable that for this increase of 54 Rockhampton is accountable for 36, the respective numbers in that district having been in 1861, 18, in 1862, 54.

Colonial Banking Establishments.

The following table marked L. is compiled for the purpose of providing easy means of comparing the position of the Queensland branches of the several banks carrying on business in this Colony during each quarter of the years 1860, 1861, and 1862. Although these returns are compiled from the returns of the several branches published in the Government Gazette, and sworn to as correct by the several managers, still, being only the returns of one branch of each bank, they afford no real insight into the true position of the several banks of which they are only offshoots. Notwithstanding this deficiency, they are interesting documents, and show that a large increase has taken place in every item, both of liabilities and assets. For instance, taking the last quarter of each of the years 1861 and 1862, it appears that—

Notes in circulation have increased at the rate of	-	38·03 per cent.
Bills in circulation ditto ditto	-	164·57 "
Deposits ditto ditto	-	5·84 "
Total liabilities ditto ditto	-	13·33 "
Coin and bullion ditto ditto	-	23·92 "
Value of landed property estimated to have increased at the rate of	-	41·75 "
Notes and bills discounted have increased at the rate of	-	21·56 "
Total assets ditto ditto	-	21·61 "

The business of the Moreton Bay Savings Bank has during the past year increased so much that I have considered it desirable to give a full abstract of its balance sheet on the 31st December 1862, which will be found in the Register, Table No. XLVIII. The number of depositors has increased during the year from 242 to 489, and the amount deposited from 12,192*l.* 15*s.* 5*d.* to 20,562*l.* 12*s.* 3*d.*

Industrial.

There is but little to be said on this subject. A slight increase has taken place in the number of sawmills, but no manufactures, properly so called, have been, or are at all likely to be commenced. Coal mining is gradually increasing, and will no doubt before long become a very important occupation. The quantity raised last year was 24,067 tons, valued at 19,253*l.* 12*s.*, which is nearly double the quantity and value raised in 1861. Gold digging has not made much progress; the difficulties in the way of the diggers, arising from want of water and the scarceness and consequent high price of provisions, have compelled most of them to turn their attention for the present to other employments. An exceedingly rich lode of copper ore has been found in the Kennedy district, and active steps are being taken to work it.

Agriculture.

The following table marked M. shows the present state of agriculture, and compares it with the returns of the year 1861. Although the total quantity of land under cultivation is very small, it is still most satisfactory to observe an increase in the year in the ratio of 35·85 per cent. Wheat, grown principally in the district of Warwick, is nearly double the quantity grown in 1861, and the cultivation of maize has also much increased. The apparent decrease in the quantity of land under cotton is incorrect, and arises from an erroneous return forwarded to this office for the Register of 1861. There is in reality an increase, although not a large one, in the quantity of land, and a considerable increase in the quantity of cotton produced, this latter being by far the more reliable evidence. In 1861 there were three companies for the growth of cotton in Queensland, viz., the Cabulture, the Ipswich, and the Maryborough companies. During 1862 two additional cotton companies began operations, viz., the Manchester Company and the Victoria Company, the plantation of the former being situated on the Nyrang Creek, and that of the latter on the Hotham Creek, two small navigable rivers flowing into Moreton Bay. In addition to the five cotton companies now at work in Queensland, many individuals are forming cotton plantations, some of them on a considerable scale.

The first appearance of 20 acres of sugar cane is also worthy of notice, as the germ of an industry which will very probably become hereafter of great importance to the Colony.

REPORTS EXHIBITING THE PAST AND PRESENT

QUEENS-
LAND.

L.—TABLE comparing the aggregate LIABILITIES and ASSETS of the COLONIAL BANKING ESTABLISHMENTS at the TERMINATION of each QUARTER of the Years
1860, 1861, and 1862.

			LIABILITIES.						ASSETS.							
Quarters of the Year.			Year.	Notes in Circulation.	Bills in Circulation.	Deposits.	Total Liabilities.	Coin.	Bullion.	Landed Property.	Balances due from other Banks and Branches.	Notes and Bills of other Banks.	Notes and Bills discounted and all other Debts due to the Banks.	Total Assets.		
First Quarter	1860	32,734	16	6	2,419	7	57,161	1	5	166,574	10	6	258,889	16	0	
	1861	46,975	11	8	2,889	5	2	52	18	1	310,842	6	3	360,760	1	2
	1862	78,110	10	1	5,710	7	5	726	13	2	310,843	1	1	395,390	11	9
Second Quarter	1860	35,744	19	11	2,596	7	10	47	17	1	182,435	4	5	220,824	9	3
	1861	52,143	9	2	3,451	3	7	778	10	0	267,351	16	8	323,724	19	5
	1862	80,773	11	5	7,284	14	11	595	11	5	314,769	17	11	403,423	15	8
Third Quarter	1860	39,963	3	5	7,920	3	3	18	7	8	236,337	5	0	284,238	19	4
	1861	56,773	6	3	3,617	13	0	5,024	9	1	266,700	10	9	332,115	19	1
	1862	79,599	11	5	18,468	15	7	941	17	11	343,542	14	3	443,552	19	2
Fourth Quarter	1860	42,765	11	8	2,473	18	11	17	2	10	286,917	1	4	332,173	14	9
	1861	63,104	12	4	4,499	17	5	323	5	3	390,238	0	5	84,916	8	6
	1862	87,103	4	10	11,903	6	0	2,063	17	4	341,155	8	8	442,245	16	10

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

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QUEENS- LAND.

W.—COMPARATIVE VIEW of the STATE of AGRICULTURE in each District of QUEENSLAND for the Years 1861 and 1862.

- The Returns of Cotton for 1831 were incorrectly collected.
- In this item are included twenty acres of sugar cane.

QUEENS-
LAND.

* Not printed. The tables in the Register relating to the alienation of Crown Lands during the past year, and numbered from LXIII. to LXVII.* inclusive, are very elaborate and complete. Several causes have operated to make the quantity of land purchased from the Crown unusually large. Of these the principal one has undoubtedly been the land order system, and the facilities which it has afforded of obtaining land at less than the minimum price, by purchasing the 18*l.* land order at a discount, and tendering it in payment to the government at its full value.

The total quantity of land sold during the past year was 67,873 acres 1 rood 9 perches, which realized 106,019*l.* 13*s.* 5*d.* The quantity sold in the year 1861 was 56,849 acres 1 rood 14*1*/₂ perches. The increase in the quantity sold has therefore been at the rate of 19·39 per cent. The total quantity of land alienated in fee by the Crown from the foundation of the Colony up to the 31st December 1862 is 149,254 acres 2 roods 31*1*/₂ perches.

*Lands.**Trade and Commerce.*

The returns furnished by the Collector of Customs show a very encouraging state of trade; and which, if commerce be any index to the prosperity and resources of a country, must tend to raise Queensland to a far higher place in the list of British Colonies than her youth and scanty population would otherwise justify. It cannot be too clearly understood that the returns referred to, and numbered in the tables LXXV. and LXXVI., are for the third year of the Colony's separate existence. The trade of the Colony for each of the last three years has been as follows:—

Year.	Imports. Value in £s Sterling.	Exports. Value in £s Sterling.	Total Exports and Imports. Value in £s Sterling.	Increase per Cent. on former Year's Imports in £s Sterling.	Increase per Cent. on former Year's Exports in £s Sterling.	Export of Wool in each Year in Lbs.	Increase per Cent. on former Year's Export of Wool in Lbs.
1860	742,023	523,476	1,265,499	—	—	5,007,167	—
1861	967,950	709,598	1,677,548	30·44	35·55	6,994,033	39·68
1862	1,320,225*	748,519*	2,068,744	36·39	5·48	8,063,612	15·29

* These figures differ slightly from those in the return furnished by the Collector of Customs, but I believe their correctness may be relied on.

N.—TOTAL VALUE in Sterling of the IMPORTS and EXPORTS of the Colony of QUEENSLAND, from and to each Country, in each of the Years 1860, 1861, and 1862.

Countries.	Year.	Imports therefrom.	Exports thereto.	Total Trade.
Great Britain	1860	£ 56,730 0 0	—	£ 56,730 0 0
	1861	90,905 0 0	119,515 0 0	210,420 0 0
	1862	228,591 0 0	215,059 0 0	443,650 0 0
Australian Colonies	1860	523,165 0 0	161,546 0 0	684,711 0 0
	1861	874,797 13 11	589,633 15 0	1,464,431 8 11
	1862	1,086,398 0 0	527,545 0 0	1,613,883 0 0
New Zealand	1860	—	—	—
	1861	—	—	—
	1862	1,915 0 0	—	1,915 0 0
Germany	1860	—	—	—
	1861	1,180 0 0	—	1,180 0 0
	1862	4,268 0 0	—	4,268 0 0
India	1860	—	311 0 0	311 0 0
	1861	—	—	—
	1862	—	1,876 0 0	1,876 0 0
China	1860	—	—	—
	1861	—	450 0 0	450 0 0
	1862	3 0 0	—	3 0 0
South America	1860	—	—	—
	1861	—	—	—
	1862	—	1,968 0 0	1,968 0 0
New Caledonia	1860	—	311 0 0	311 0 0
	1861	—	—	—
	1862	2,394 0 0	—	2,394 0 0
South Sea Islands	1860	—	—	—
	1861	1,068 0 0	—	1,068 0 0
	1862	—	—	—
Total trade in the years	1860	742,023 0 0	523,476 0 0	1,265,499 0 0
	1861	967,950 13 11	709,598 15 0	1,677,549 8 11
	1862	1,323,509 0 0	747,448 0 0	2,070,957 0 0

It appears from the former of the above tables that the trade of the Colony for the year 1862 was, imports, 1,820,225*l.*; exports, 748,519*l.*; and imports and exports together, 2,068,744*l.* Estimating the mean population of the year at 39,722 souls, the imports were at the extraordinary rate of 33*l.* 6*s.* 4*d.* per head, and the exports at the rate of 18*l.* 16*s.* 4*d.* per head. It will also be observed that the value of the imports of 1862 exceeds that of the imports of 1861 by 352,275*l.*, or at the rate of 36·73 per cent., and that the value of the exports of 1862 exceeds the value of those of 1861 by 38,921*l.*, or at the rate of 5·19 per cent. This comparatively small increase in the exports is no doubt mainly attributable to the difficulties that have been experienced during the past year by those engaged in pastoral pursuits, owing to the recent floods, in conveying their raw produce to the various shipping ports, and to a very material alteration in the estimated value affixed to the wool exported. In 1861 it was estimated at 2*d.* per lb., in 1862 at only 18*½d.* per lb. The actual quantity of wool shipped in 1862 is 15·29 per cent. greater than the quantity shipped in 1861. It must, however, be observed that the large and rapid increase in the quantity of wool shipped is chiefly ascribable to importations of sheep, and not to natural increase, and that we cannot therefore expect this increase to continue long at its present rate. Every well-wisher to the Colony must earnestly hope to see other raw productions gradually assume a more important place in our exports; and I therefore draw particular attention to the first appearance of cotton as an export. The quantity is but small, only 14,344 lbs, and valued only at 1,423*l.*, and is therefore only worthy of notice as being the starting point of an exportation which it is highly probable will in a few years become of imperial importance. Copper ore also begins to appear among the exports, 268 tons, valued at 10,332*l.*, being the quantity shipped last year. If it were possible in the Customs' Returns to distinguish between washed and unwashed wool, the distinction would, I think, afford valuable information.

Shipping.

Tables LXVIII. to LXXIII. inclusive.

The trade of the Colony, as given in the above tables, is developing itself with extraordinary rapidity; not only has it greatly increased in its previously existing channels, but traffic has been commenced in a number of new directions. The Register of 1861 pointed out an increase on the year 1860 of vessels entered inwards in the ratio of 21·25 per cent. The increase of the year 1862 on the number of the year 1861 is still greater, being in the ratio of 29·48 per cent. It also appears that there is a large increase in the size of the vessels. The tonnage of 1861 exceeded that of 1860 in the ratio of 26·16 per cent., and the tonnage of 1862 exceeds that of 1861 in the ratio of 34·13 per cent.; in other words, the average tonnage of vessels in 1861 was 228·59 tons, whilst the average of 1862 was 234·28 tons. The following tables are prepared to facilitate a comparison between the trade of 1861 and that of 1862.

COMPARATIVE TABLE of VESSELS entered Inwards in the Two Years 1861 and 1862.

Port of Entry.	1861.			1862.			INCREASE OR DECREASE. Distinguished by the Sign + or -.			
	Vessels.	Tons.	Crews.	Vessels.	Tons.	Crews.	Vessels.	Tons.	Crews.	
Brisbane	-	141	35,220	2,737	177	50,938	3,647	+ 35	+ 15,718	+ 910
Hervey's Bay	-	28	5,789	651	24	5,203	600	- 4	- 586	- 51
Port Curtis	-	30	8,053	596	27	5,497	468	- 3	- 2,556	- 128
Rockhampton	-	49	7,928	731	90	14,626	1,365	+ 41	+ 6,698	+ 634
Port Denison	-	3	387	35	12	1,048	74	+ 9	+ 661	+ 39
	251	57,377	4,750	330	77,312	6,154	+ 79	+ 19,935	+ 1,404	

The most noteworthy point in the Shipping Tables is the increase in the number of vessels which have arrived direct from Great Britain. In 1861 the number was only eight; in 1862 it has increased to twenty-three. Nor has this been accompanied by a diminution of shipping from New South Wales. In 1861 the vessels from that Colony numbered two hundred and twenty-three, of 47,782 tons. In 1862 this number increased to two hundred and sixty-six, of 48,566 tons burden. The following table provides means of making further comparisons.

REPORTS EXHIBITING THE PAST AND PRESENT

O.—COMPARATIVE STATEMENT of NUMBER, TONNAGE, and CREWS of VESSELS entered Inwards in the Colony of QUEENSLAND, during the Years 1860, 1861, and 1862.

Countries whence arrived.	Year.	British.			Foreign.			Total.				
		With Cargoes.		In Ballast.	With Cargoes.		In Ballast.	With Cargoes.		In Ballast.	Total.	
		Vessels.	Tons.	Crews.	Vessels.	Tons.	Crews.	Vessels.	Tons.	Crews.	Vessels.	Tons.
Great Britain	1860	3	1,085	48	—	3	1,085	48	1	315	11	4
	1861	7	6,105	213	—	7	6,105	213	1	281	11	8
	1862	22	19,723	762	1	32	8	23	—	22	19,723	762
New South Wales	1860	196	42,930	3,673	2	210	18	198	43,160	3,621	—	4
	1861	221	47,588	4,283	1	147	19	222	47,355	4,302	—	6,386
	1862	262	48,247	4,946	4	319	28	266	48,566	4,974	—	224
Victoria	1860	3	568	29	—	—	3	568	29	—	4,283	5,9
	1861	9	1,396	130	—	—	9	1,396	130	—	4,946	6,182
	1862	19	2,611	99	—	19	2,611	99	1	1,436	33	20
South Australia	1860	1	130	7	—	1	130	7	—	—	1	130
	1861	4	867	37	—	4	867	37	—	—	4	867
	1862	6	1,049	52	—	6	1,049	52	1	316	9	7
Tasmania	1860	3	431	24	—	3	431	24	—	—	3	431
	1861	4	533	28	—	4	533	28	—	—	4	533
	1862	7	1,020	50	—	7	1,020	50	—	—	7	1,020
New Zealand	1860	—	—	—	—	—	—	—	—	—	—	—
	1861	—	—	—	—	—	—	—	—	—	—	—
	1862	2	416	22	—	2	416	22	—	—	2	416
Other European Ports	not European	1860	—	—	—	—	—	—	—	—	—	—
	not European	1861	1	101	7	1	72	6	—	47	5	5
	European	1862	3	888	104	—	—	—	—	—	1	72
Other European Ports	1860	—	—	—	—	—	—	—	—	—	—	—
	1861	—	—	—	—	—	—	—	—	—	—	—
	1862	—	—	—	—	—	—	—	—	—	—	—
Totals	•	1860	206	45,164	3,711	2	210	18	208	45,874	3,729	16
	•	1861	246	56,530	4,698	2	219	25	248	56,809	4,723	27
	•	1862	321	73,934	6,033	5	351	36	326	74,305	6,069	307

*Pastoral.*QUEENS
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Much difficulty has been experienced in collecting the live stock returns from the more distant commissioners' districts; the great distances in the interior to which settlers have during the past year pushed their stations, and as a consequence the difficulty of communicating with them, will account for the imperfect state of many of the commissioners' returns. In examining the following table, marked P, this must be borne in mind. The actual result of this table is to show that, as compared with the year 1861, horses have increased at the rate of 22·92 per cent., cattle at the rate of 8·92 per cent., and sheep at the rate of 6·17 per cent.

The returns of liens on wool and of mortgages on live stock, which will be found in the Register, numbered respectively LI. and LII., are documents of much importance to the pastoral interests. They show that during the year 1862 91 liens on the ensuing clip, that is, the clip of 1862-3, of 909,933 sheep, to secure the repayment of 165,487*l.* 11*s.* 8*d.*, were registered. The mortgages on live stock effected last year numbered 152 against 25 discharged. The balance of the year's transactions is as follows:—Additional mortgages 123; number of sheep mortgaged 918,917; of horned cattle 143,260; of horses 2,341; and the amount secured 577,020*l.* 19*s.* 2*d.* If this sum be added to the mortgages in existence on the 31st December 1861, it makes a total of 1,759,539*l.* 11*s.* 10*d.*

The live stock pledged to secure this large sum are, sheep 2,700,434, cattle 311,962, horses 28,338. It must, however, be remembered, that in almost all cases the stations on which the above mortgaged stock are depasturing form part of the security; and that, leaving that security out of the question, the extremely moderate value of 8*s.* per sheep, 30*s.* per head of cattle, and 120*s.* per head of horses will about equal the money lent.

P.—TABLE showing the NUMBER of LIVE STOCK in the Colony of QUEENSLAND, in each of the Years 1860 to 1862 inclusive.

Districts.	1860.				1861.				1862.			
	Horses.	Cattle.	Sheep.	Pigs.	Horses.	Cattle.	Sheep.	Pigs.	Horses.	Cattle.	Sheep.	Pigs.
Brisbane - -	2,609	55,804	42,895	2,049	3,012	54,836	14,235	1,842	2,562	26,654	30,976	1,297
Ipswich - -	2,975	54,988	273,882	2,217	4,737	68,707	250,534	2,557	5,068	79,638	267,460	2,230
Warwick - -	2,903	27,212	468,943	1,046	3,296	30,432	525,076	1,095	3,944	39,121	523,949	917
Drayton and Toowoomba - -	1,309	11,554	229,061	428	1,855	32,625	343,994	486	2,616	22,440	460,452	522
Gayndah*	1,780	35,196	506,066	264	2,275	46,361	542,462	265	1,468	38,242	418,525	285
Dalby - -	1,599	18,698	337,545	115	1,298	15,965	405,481	109	1,494	18,350	355,018	122
Callandoon - -	1,698	24,095	142,948	59	2,726	55,740	134,622	88	5,278	31,493	145,516	111
Maryborough - -	1,818	65,053	112,953	778	1,862	69,995	92,149	715	2,404	82,954	96,594	975
Rockhampton - -	1,365	13,132	303,849	89	724	26,321	152,959	62	1,170	44,302	154,203	184
Nanango - -	1,620	23,774	156,870	35	1,635	23,489	184,151	36	1,449	13,714	179,287	14
East Maranoa - -	No Returns.				951	48,325	336,424	—	1,206	51,558	427,919	—
West Maranoa† - -	134	121	2	7	550	17,200	61,800	—	2,024	83,911	36,963	43
Kennedy‡ - -	859	4,337	282,548	13	2,461	48,928	847,797	118	2,704	27,311	981,384	113
Condamine - -	2,173	82,943	493,281	29	307	3,851	84,104	4	455	9,959	134,029	1
Gladstone - -	662	15,983	98,507	18	1,294	17,421	117,593	88	1,233	23,377	71,826	205
Mitchell§ - -	—	—	—	—	—	—	—	—	—	—	—	—
Total - -	23,504	432,890	3,166,302	7,147	28,983	560,196	4,093,381	7,465	35,625	610,204	4,345,901	7,019

* The Gayndah Returns are very incomplete, returns from more than 20 stations being wanting.

† In the West Maranoa, returns from 13 stations are wanting.

‡ The returns from only eight stations in the Kennedy District have been received; the numbers for the year 1861 are therefore repeated.

§ No returns have been received from the Mitchell District.

Financial.

The Auditor General's Financial Statement, vide Table No. xciii., requires, I think, some little explanation, for else it might lead readers at a distance, and unacquainted with the circumstances, to under-estimate both the revenue and expenditure of Queensland for the past year.

A large quantity of Crown land was sold during the year 1862, and realized the sum of 110,526*l.* 12*s.* 4*d.*; of this a large portion was paid for by land orders, and not by cash. The sum thus paid by land orders, amounting to 51,144*l.* 17*s.* 4*d.*, or nearly one half of the total sum realized by the sale of land, is not included either in the year's receipts or expenditure, the reason being, I believe, that it was paid for by land orders, and not by cash. In this statistical document, however, professing to show the entire transactions of the past year, and to give a correct account of the resources of the Colony, I feel bound to notice both the receipt and expenditure of this large sum of money; for, as the Government of Queensland issued these land orders by authority of the Act of the Queensland Parliament, 24 Victoria, No. 15, and as they are declared by that Act to be as good as cash, for the purpose of paying for land purchased from the Crown, I am unable to see why the money which they represent should not appear as part of the year's revenue, and the balance be adjusted by charging the Immigration Department with a like sum, as money expended on the introduction of immigrants; without this arrangement no equivalent is shown for the alienation of many thousand acres of the territory of the Crown. It should also, I think, be borne in mind, that although the Treasury considers that it has only received the representative of money, but not the money itself, the Colony has actually received the benefit arising from that money's expenditure, in

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a large and valuable addition to its population. Viewing the subject in this light, I think I am fully justified in the following table, comparing the revenue and expenditure of the two years, 1861 and 1862, in treating the sum above alluded to on the one hand as revenue, and on the other as money expended on the introduction of immigrants. This alteration being made, the revenue of last year was 346,431*l.* 5*s.* 5*d.*, and its expenditure 368,171*l.* 17*s.* 7*d.* The revenue of 1862 is at the rate of 8*l.* 14*s.* 5*½d.* per head of the average population of the year.

Q.—TABLE comparing the REVENUE and EXPENDITURE of the Two Years 1861 and 1862.

Items.	REVENUE.			EXPENDITURE.		
	1861.	1862.	Items.	1861.	1862.	Items.
Import Duties - -	£ 71,218 s. 5 d. 1	£ 96,107 s. 11 d. 8	Schedule A. - -	£ 4,000 s. 0 d. 0	£ 4,000 s. 0 d. 0	
Bonded warehouse rents and duties - -	460 s. 13 d. 10	657 s. 12 d. 1	Ditto B. - -	4,000 s. 0 d. 0	6,223 s. 11 d. 0	
Land sales—Cash - -	68,700 s. 13 d. 8	59,381 s. 15 d. 0	Ditto C. - -	825 s. 0 d. 0	425 s. 0 d. 0	
" Land orders - -	—	51,144 s. 17 d. 4	Executive and Legislative - -	7,604 s. 3 d. 3	8,046 s. 15 d. 9	
Rents and assessments on land and stock - -	57,314 s. 9 d. 9	82,059 s. 6 d. 7	Colonial Secretary's office - -	1,456 s. 9 d. 7	2,035 s. 0 d. 0	
Deposits - -	6,451 s. 3 d. 9	194 s. 6 d. 0	Registrar-General's ditto - -	974 s. 10 d. 8	2,636 s. 0 d. 5	
Timber licences - -	786 s. 10 d. 0	1,069 s. 4 d. 6	Education - -	10,000 s. 0 d. 0	6,740 s. 3 d. 4	
Postage - -	6,348 s. 1 d. 2	8,878 s. 16 d. 4	Immigration - -	12,544 s. 6 d. 8	57,503 s. 9 d. 4	
Publicans and other licences - -	4,956 s. 7 d. 8	7,295 s. 16 d. 8	Police - -	33,839 s. 13 d. 2	40,526 s. 13 d. 1	
Fees of office - -	3,106 s. 9 d. 7	5,662 s. 5 d. 3	Lunatic Asylum - -	845 s. 13 d. 10	1,160 s. 0 d. 0	
Fines and forfeitures - -	489 s. 9 d. 4	2,125 s. 2 d. 2	Government printing - -	8,084 s. 18 d. 3	10,410 s. 13 d. 10	
Rents, tolls, ferries, wharves - -	169 s. 1 d. 8	288 s. 15 d. 0	Steam dredge - -	707 s. 10 d. 0	292 s. 10 d. 0	
Pilotage, harbour dues, and fees - -	642 s. 11 d. 8	1,544 s. 12 d. 3	Miscellaneous under Chief Secretary - -	24,604 s. 14 d. 10	32,981 s. 12 d. 11	
Immigration remittances - -	13,617 s. 14 d. 6	13,114 s. 0 d. 0	Law Officers of the Crown - -	2,115 s. 11 d. 4	1,260 s. 6 d. 5	
Miscellaneous receipts - -	2,779 s. 15 d. 5	12,953 s. 8 d. 4	Supreme Court - -	2,612 s. 13 d. 1	2,896 s. 5 d. 9	
Special receipts - -	403 s. 17 d. 3	482 s. 19 d. 4	Sheriff - -	1,660 s. 0 d. 0	2,176 s. 5 d. 8	
Electric telegraph receipts - -	793 s. 5 d. 2	3,665 s. 2 d. 11	Brisbane Gaol - -	3,258 s. 3 d. 5	3,756 s. 9 d. 3	
Total - -	238,238 s. 9 d. 1	346,431 s. 5 d. 5	Coroners - -	397 s. 8 d. 11	503 s. 19 d. 6	
			Colonial Treasurer's office - -	1,781 s. 16 d. 8	2,524 s. 6 d. 2	
			Customs - -	6,646 s. 2 d. 11	8,001 s. 8 d. 0	
			Post Office - -	16,072 s. 19 d. 2	17,917 s. 18 d. 1	
			Harbours - -	3,946 s. 18 d. 2	7,186 s. 19 d. 5	
			Miscellaneous under Treasurer - -	5,812 s. 5 d. 10	23,442 s. 17 d. 0	
			Interest on Government Debentures - -	963 s. 5 d. 8	6,153 s. 10 d. 9	
			Secretary of Lands and Works office - -	—	910 s. 3 d. 4	
			Survey of Lands - -	19,678 s. 10 d. 3	18,958 s. 18 d. 0	
			Occupation and sale of lands - -	5,311 s. 13 d. 7	11,800 s. 2 d. 2	
			Domain, gardens, and park - -	1,727 s. 19 d. 6	1,670 s. 5 d. 9	
			Engineer of Roads' offices - -	2,205 s. 6 d. 7	3,339 s. 14 d. 0	
			Colonial Architect's office - -	1,788 s. 11 d. 7	1,970 s. 0 d. 0	
			Roads - -	30,083 s. 18 d. 5	32,883 s. 12 d. 3	
			Bridges - -	6,569 s. 10 d. 6	11,122 s. 16 d. 9	
			Payments in excess of various public works - -	—	1,898 s. 9 d. 9	
			Other public works - -	15,089 s. 1 d. 11	15,289 s. 7 d. 5	
			Miscellaneous in Lands and Works Department - -	—	14,860 s. 14 d. 8	
			Auditor-General's office - -	999 s. 14 d. 10	1,000 s. 0 d. 0	
			Electric Telegraph - -	—	3,665 s. 7 d. 10	
			Miscellaneous - -	16,976 s. 12 d. 0	—	
Total - -	238,238 s. 9 d. 1	346,431 s. 5 d. 5	Total - -	255,180 s. 4 d. 7	368,171 s. 17 d. 7	

The following table, with which I shall conclude, is a general summary of the principal results exhibited by the various tables compiled in this Register, and affords most unmistakeable evidence of the rapid progress the Colony of Queensland has made during the past year, and of the large amount of prosperity it has hitherto enjoyed.

R.—GENERAL SUMMARY for 1862.

	Per Cent.	
Population has increased at the rate of	31·16	On total population of 31st December 1861.
Births in 1862 exceed those in 1861 by	19·61	On total number in 1861.
Marriages in 1862 exceed those in 1861 by	78·13	On total number in 1861.
Deaths in 1862 exceed those in 1861 by	59·40	On total number in 1861.
Number of enrolled electors has increased at the rate of	30·21	On total number in 1861.
Land under cultivation has increased at the rate of	36·52	On total quantity on 31st December 1861.
Land alienated by the Crown in 1862 exceeds that alienated in 1861 by	85·56	On total quantity on 31st December 1861.
Amount realized by the sale of Crown Lands in 1862 exceeds that in 1861 by	12·71	On total quantity on 31st December 1861.
Horses have increased at the rate of	22·92	
Cattle have increased at the rate of	8·93	
Sheep have increased at the rate of	6·17	
Bank notes in circulation on 31st December 1862 have increased at the rate of	38·03	
Deposits in Banks have increased at the rate of	5·85	
Bills under discount in the Banks have increased at the rate of	164·53	
Total Consolidated Revenue of 1862 exceeds that of 1861 by	45·37	

	Per Cent.	
Customs Revenue of 1862 exceeds that of 1861 by	34·94	
Land Revenue of 1862 exceeds that of 1861 by	52·64	
Total Imports of 1862 exceeds that of 1861 by	36·39	
Total Exports of 1862 exceeds that of 1861 by	55·16	
Export of wool in lbs. of 1861 exceeds that of 1862 by	15·29	
Export of wool in £s sterling of 1862 exceeds that of 1861 by	2·30	
Export of tallow in lbs. of 1862 exceeds that of 1861 by	20·53	
Export of hides in number of 1861 exceeds that of 1862 by	—16·03	A diminution.
Shipping inwards of 1862 exceeds that of 1861 by	31·47	
Tonnage of shipping inwards of 1862 exceeds that of 1861 by	34·74	
Shipping outwards of 1862 exceeds that of 1861 by	30·34	
Tonnage of shipping outwards of 1862 exceeds that of 1861 by	229·78	
Persons taken into custody in 1862 exceeds that of 1861 by	53·99	

Conclusion.

The large area over which the European population of Queensland has so quickly spread itself, extending from the 29th to about the 18th parallel of south latitude, and from the 153d to about the 144th meridian of east longitude, has necessarily increased the difficulty of collecting the required returns from the more distant localities at a sufficiently early period of the year to permit their complete publication in this Register; and it will be observed that the stock returns from one district are wanting. In every other respect this Register will bear favourable comparison with those of former years; the returns are generally more complete, and have, I believe, been compiled with fewer errors.

I have, &c.
(Signed) F. O. DARVALL,
Registrar-General.

VICTORIA.

VICTORIA.

No. 17.

No. 17.

COPY of a DESPATCH from Governor Sir C. H. DARLING, K.C.B., to his Grace the Duke of NEWCASTLE, K.G.

(No. 18.)
My LORD DUKE,

Government Offices, Melbourne,
March 14, 1864.

OWING to a heavy pressure of business in the department of the Government printer, unusual delay has occurred in printing the annual volume for 1862, designated the "Statistics of Victoria," which for some years past has been substituted for the "Blue Book," required by the Colonial Regulations.

2. Your Grace is aware that my connexion with the Government of the Colony commenced many months after the close of the period embraced in this compilation, which I have now, therefore, the honour to transmit, with no other remark than that there is prefixed to it a statistical summary from the year 1836, viz., from the foundation of the Colony as a dependent settlement of the Government of New South Wales, up to the latest date to which it has been found possible to render with completeness the details embraced under the most important of the various heads which the summary includes.

3. This interesting and remarkable document (a copy of which I beg to annex) tells its own tale of a progress and prosperity which, although fluctuating in some of its main elements, is, upon the whole, I apprehend, unparalleled in colonial history. The steady annual increase in the number of schools, and of those attending them, and of churches and chapels, is, I trust, a sure indication that a people enjoying so large a measure of material prosperity are not unmindful of the foundations upon which their moral well-being and happiness should be established.

I have, &c.
(Signed) C. H. DARLING.
His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

REPORTS EXHIBITING THE PAST AND PRESENT

STATISTICAL SUMMARY of VICTORIA from 1836 to 1862 inclusive.

Year.	Population.			Births.			Deaths.			Marriages.			Immigration.			Emigration.			Flour Mills.			Manufactories, Works, &c.			Land Sales.		Live Stock.							
	Males.	Females.	Persons.																					Number of Acres.	Amount realized.	Number of Acres under Cultivation.	Horses.	Horned Cattle.	Sheep.	Pigs.				
1836	196	38	224	1	3	—	—	740	—	—	—	—	—	—	—	—	—	—	—	—	—	—	50	75	155	41,332	—	—	—					
1837	984	280	1,264	7	1	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—					
1838	3,080	431	3,511	28	20	15	1,260	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	38,694	33,977	—	524	13,272	310,946	—					
1839	4,104	1,718	5,822	142	67	57	3,221	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	38,280	70,236	—	—	—	—	—	—				
1840	7,254	3,037	10,291	358	198	177	4,080	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	83,561	219,300	3,210	2,372	50,837	782,283	—	—				
1841	14,391	6,025	20,416	618	319	406	6,908	939	—	—	—	—	—	—	—	—	—	—	—	—	—	—	49,311	49,311	4,881	—	—	—	—	—				
1843	15,691	8,108	23,799	1,025	413	514	4,136	1,964	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16,698	21,085	8,121	4,065	100,792	1,404,333	—	—				
1843	15,892	8,211	24,103	1,317	813	364	1,264	2,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7,338	8,296	12,068	6,278	167,156	1,602,798	—	—				
1844	17,626	9,108	26,734	1,336	240	328	2,648	1,423	—	—	—	—	—	—	—	—	—	—	—	—	—	181	985	15,689	7,076	187,873	1,840,912	—	—					
1845	20,624	10,656	31,280	1,521	327	316	4,335	1,519	—	—	—	—	—	—	—	—	—	—	—	—	—	3,685	8,718	25,094	9,289	231,602	1,732,527	3,956	—					
1846	23,531	14,803	38,334	1,596	828	301	3,678	1,775	—	—	—	—	—	—	—	—	—	—	—	—	—	4,601	19,184	31,499	11,400	290,439	2,996,992	5,501	—					
1847	26,004	16,932	42,936	1,661	361	337	4,508	1,540	—	—	—	—	—	—	—	—	—	—	—	—	—	27,337	69,122	37,189	13,292	322,824	4,164,203	5,015	—					
1848	30,697	20,693	51,390	1,789	405	351	8,235	1,669	—	—	—	—	—	—	—	—	—	—	—	—	—	17,345	31,716	40,173	16,445	35,688	5,130,277	5,652	—					
1849	35,556	26,604	60,220	1,913	593	593	14,618	1,902	—	—	—	—	—	—	—	—	—	—	—	—	—	27,610	70,146	52,185	16,733	346,562	5,318,946	—	—					
1850	45,405	30,607	76,162	2,673	780	909	10,760	3,304	22	46	40,042	97,970	51	438,972	763,554	115,135	21,219	32,179	378,806	9,032,783	9,559	—	—	—	—	—	—							
1851	58,235	39,254	97,489	3,049	1,165	1,023	15,433	3,706	27	56	93,707	201,840	56	57,298	22,086	390,923	6,589,923	7,372	—	—	—	—	—	—	—	—	—	—	—	—	—			
1852	110,825	57,406	168,321	3,756	2,105	1,958	94,664	31,038	33	57	231,297	67,033	386	500,383	1,067,450	37,983	36,664	34,021	431,380	6,551,506	8,426	—	—	—	—	—	—	—	—	—	—	—	—	—
1853	144,456	75,080	222,436	3,025*	8,213*	2,550	92,312	42,443	20	208	283,928	1,548,441	34,054	15,166	410,139	5,594,220	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1854	205,629	106,678	312,307	7,542	6,261	3,765	83,410	34,975	40	152	405,679	1,357,965	54,724	27,088	481,640	5,332,007	9,278	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1855	234,450	129,874	364,324	11,941	6,603	3,847	66,571	26,395	51	227	438,972	763,554	115,135	33,430	534,113	4,577,872	20,046	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1856	255,827	141,733	397,560	14,420	5,728	4,116	41,594	21,187	77	213	437,562	74,318	213	170,983	47,832	646,618	4,641,548	52,227	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1857	207,547	165,588	463,135	17,334	7,449	4,524	74,255	20,471	88	386	500,383	1,067,450	37,983	55,683	614,537	4,766,022	43,632	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1858	323,576	180,943	504,519	19,929	9,015	4,532	56,168	25,382	89	421	255,724	638,650	298,960	68,323	699,330	5,578,413	37,756	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1859	335,708	194,554	530,262	22,092	9,409	4,769	32,735	19,615	97	407	459,082	814,164	358,728	69,288	683,534	5,794,127	50,955	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1860	328,251	209,590	537,847	22,863	12,061	4,351	29,037	21,689	94	475	492,248	663,238	419,380	76,536	722,332	5,780,896	61,259	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1861	321,724	220,076	541,800	23,461	10,522	4,434	26,912	35,998	104	429	514,745	623,588	439,995	84,057	628,092	6,239,258	47,450	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
1862	325,768	220,976	555,744	24,391	10,080	4,525	37,836	38,203	104	603	844,969	910,862	465,430	86,067	576,601	6,764,851	52,991	—	—	—	—	—	—	—	—	—	—	—	—	—	—			

(continued.)

Year.	Shipping.			Exports of Colonial Produce.												Imports. (Total Value.)			Exports. (Total Value.)			Gross Expenditure†			Schools.				
	Inwards.	Number of Vessels.	Tonnage.	Outwards.	Number of Vessels.	Tonnage.	Gold.	Quantity.	Value.	Wool. (Value.)	Tallow. (Value.)	Hides and Skins. (Value.)	Imports. (Total Value.)	Exports. (Total Value.)	Gross Revenue.†	Number of Schools.	Scholars.	Number of Churches, Chapels, &c.	Convicts in the Supreme Court.										
1836	—	140	—	—	140	13,124	—	—	—	11,639	28	22	115,370	12,178	—	6,071	5,872	4,881	—	—	2,165	—	—	—	—	—	—		
1837	137	11,717	136	11,679	—	—	—	—	—	21,631	489	117	73,230	27,998	40,020	16,874	4,400	4,250	250	78	—	—	—	—	—	—	—		
1838	—	—	—	189	20,352	—	—	—	—	45,226	306	240	20,472	77,684	74,698	35,849	4,250	6,250	625	6	—	—	—	—	—	—	—		
1839	140	43,416	232	34,334	—	—	—	oz.	£	—	—	67,902	251	453,367	128,984	11,299	11	—	—	—	—	—	—	—	—	—	—	—	
1840	273	52,500	528	34,156	—	—	—	—	—	85,735	786	561	364,399	200,305	152,826	201,363	20	691	—	—	—	—	—	—	—	—	—	—	—
1841	237	43,760	225	34,365	—	—	—	—	—	151,146	975	801	277,127	198,783	87,296	124,631	—	—	—	—	—	—	—	—	—	—	—	—	—
1842	288	43,605	230	27,602	—	—	—	—	—	201,383	1,700	743	188,366	254,482	73,565	57,165	—	—	—	—	—	—	—	—	—	—	—	—	—
1843	229	29,666	247	34,596	—	—	—	—	—	174,044	13,907	989	151,062	250,847	144,761	140,260	—	—	—	—	—	—	—	—	—	—	—	—	—
1844	273	31,337	291	31,114																									

TASMANIA.

TASMANIA.

No. 18.

No. 18.

[Not received.]

SOUTH AUSTRALIA.

SOUTH
AUSTRALIA.

No. 19.

No. 19.

COPY of a DESPATCH from Governor Sir D. DALY to his Grace the Duke of NEWCASTLE, K.G.

(No. 49.)

Government House, Adelaide,
September 19, 1862.

MY LORD DUKE,

I HAVE the honour to transmit to your Grace the Blue Book of this Province for the year 1862. The annexed Report of the Government Statist, Mr. Josiah Boothby, is so ably and elaborately compiled as to obviate the necessity for any lengthened comments on my part. The Returns comprised in the Blue Book are important, as indicating a very satisfactory state of progress, and stamp the condition of the Colony, whether considered from a social, commercial, agricultural, financial, or general point of view, as exceedingly hopeful.

Population.

2. The population at the end of 1862 numbered 135,329 souls, being an increase of 4,702 over the previous year, of which 545 were gained by excess of immigration over emigration. It is gratifying to observe that the balance between the sexes is very evenly maintained, the entire population being composed of 69,608 males and 65,721 females. In this respect, South Australia shows the least disproportion of any of the Australian Colonies. This disparity as affecting the social condition of the inhabitants, is still more reduced when the comparison is made between the males and females from 21 years and upwards, the former numbering 30,637, and the latter 27,075. When it is borne in mind that pastoral pursuits engage the attention of a large portion of the community, and that a large number of adult males must necessarily be occupied in the arduous and hazardous task of opening up new country for settlement in the distant portions of the Province, the excess of 3,562 adult males must be considered as a necessary evil.

3. The attention that has been given to maintain throughout the marriageable ages this approach to equalization, by extensive assisted female immigration, will prove as the Colony advances of incalculable benefit, and the population will each succeeding year increase in a geometrical ratio.

4. With reference to nationality, the statistical tables show that the native-born amount to 38·35 per cent. of the population. The next largest class are persons of English birth, who form 35·36 per cent. Ireland has contributed 10 per cent., Germany 6·98 per cent., and Scotland 6·03 per cent. There are about one sixth more Englishmen than Englishwomen; the reverse being the case as regards the Irish, there being one third more Irishwomen than Irishmen. It is a matter for congratulation, as indicative of the steady industry of the great bulk of the people, that 85 per cent. of the population are country residents. The rapid settlement of an energetic people upon the agricultural lands of the Province, employed directly or indirectly in its cultivation, and in the opening up of new sources of mineral and pastoral wealth, cannot fail to advance the general prosperity.

Aborigines.

5. At the last general census in 1861 the total Aboriginal population in the occupied districts of the Province was 5,046. In the pastoral districts the proportion of the sexes was found to be nearly equal, but in the counties or settled districts the males considerably exceeded the females, the former being 1,022 in number and the latter 799. The whole of the children throughout the Colony numbered only 850.

6. It is the melancholy and all but unanimous testimony of the early settlers, and others best qualified to form a correct opinion, that the Aboriginal population is fast

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dying out, but there are no records from which to ascertain the rate of decrease for the last year or any previous period. The causes of the decrease are disease, sterility, or infecundity of the females, and infanticide, which it is believed is a crime of very frequent occurrence.

7. Opinions are very conflicting as to how far their social condition is affected by the new settlements. From evidence given before a Select Committee of the Legislative Council in 1860, it appears that the natives in general have been in no way benefited by being brought into contact with Europeans; but I think this view is open to modification, since it cannot be denied that the squatters, who are justly called "the pioneers of civilization," treat them with much forbearance and kindness, and encourage the natives to remain on their "runs" for the sake of their services. The young men especially soon become exceedingly useful as shepherds, shearers, reapers, stock-keepers, colt breakers, &c., and the lubras as washerwomen and in other domestic occupations. About a fourth part of the able-bodied males were employed by the settlers in 1861, and the proportion is now probably even greater. Generally, they are well remunerated, and some of them obtain as high wages as the best white labourers.

8. It is pleasing to be able to inform your Grace that the reports of the Missionary establishments at Poonindie and Point Macleay are encouraging. At Poonindie there are 36 natives who receive careful religious and moral instruction, and who are trained to habits of industry. The experiment there made proves in its results the possibility of the civilization of the race, and confirms the opinion so often expressed by Missionaries that Christianity is the only efficient instrument for its accomplishment. Further evidence is afforded by the success of the Missionary Institution at Point Macleay. Doctor Walker, the Protector of the Aborigines, to whom I am chiefly indebted for this information, informs me that the beneficial influence of the religious instruction imparted to the natives is apparent without, as well as within the establishment. Many of their superstitions have been abandoned, their character for honesty has improved, they observe the Sabbath as a day of rest, and a considerable number appear at morning and evening service, neat and clean, and conduct themselves with great propriety; that the capacity of the young to receive education is proved beyond dispute, and that from frequent and personal examination he is of opinion that they make as rapid progress as the average of white children. The crime of infanticide is also less prevalent, and this is the only locality in the Province where the Aboriginal population instead of gradually declining is evidently increasing.

9. The extension of such agencies affords the only hope of the social as well as the moral and spiritual elevation of the race.

10. A sum of money is annually put on the estimates and voted by the legislature, for provisions, blankets, medical attendance, &c. for the Aborigines. The amount voted last year was 3,191*l.* 5*s.*, and this year a further sum of 500*l.* has been added. Depôts have been formed in the localities where the natives are more numerous, and flour, tea, sugar, blankets, &c. are distributed among the sick and infirm and destitute according to their necessities.

Immigration.

11. The amount expended on immigration during the year was 5,223*l.* against 6,984*l.* in 1861, but during the decennial period from 1853 to 1862 the total sum of 760,359*l.* was disbursed for this important service.

12. Prior to the establishment of responsible Government in October 1856, the Land Fund was, after deducting "primary charges," for survey and management of Crown lands, divided into two equal parts called the "Immigration Fund," and the "Crown Moiety" or "Reserved Fund." These divisions were not, however, always strictly adhered to, as the Executive had the power of transferring from one fund to the other. Subsequently, the amount for immigration was annually voted by Parliament; but during the Session of 1862 my ministry were fortunate in passing Act No. 17., which provides that one third of the gross proceeds of the sale of the waste lands of the Crown shall be appropriated as, and constitute a separate fund, to be called the "Immigration Fund."

Wages.

13. Blacksmiths, bricklayers, and skilled labourers were paid during 1862 at the rate of 10*s.* and ordinary labourers at 6*s.* per diem, being a decrease of 6*d.* on the daily rates current during the previous year. On the other hand, there was, during the same period, a slight advance on the wages given to domestic and farm servants.

14. This state of the labour market is very encouraging to the prudent and industrious immigrant, who sees a fair prospect before him of earning sufficient money in the course of two or three years to purchase or rent a farm for cultivation on his own account.

15. All the capital he requires to carry into effect this purpose does not exceed 100*l.*; a sum which at the present rate of wages is readily acquired, and with which an intelligent steady man may start with every prospect of success.

Savings Bank.

16. The returns connected with this establishment are satisfactory, and of themselves evidence the thriving condition of the labouring population. The total amount of depositors balances, including interest, in 1862, was 152,663*l.*, against 121,414*l.* in 1861.

17. There are numerous Friendly and Building Societies and kindred institutions in the Colony, of which the working classes avail themselves for investing their savings to advantage. Besides the foregoing, much money is lent by this class on mortgage, at from 8 to 12 per cent.

18. With labour fairly if not highly paid, provisions abundant and good and also reasonable in price, with cheap land within the reach of all, and with a mild and healthy climate, the position of the labouring man in this Colony may be viewed as an enviable one.

Insolvencies.

19. The insolvencies were, with one exception, productive of very little inconvenience to the commercial community. The bulk of them were trifling in amount, and the aggregate amount small, compared with the mercantile transactions of the Colony, which have been carried on with creditable punctuality. The total number of insolvencies was 165 against 108 in 1861, and the deficiency, as shown in the Insolvents Schedules, 68,970*l.*, against 63,761*l.* in 1861. Most of the petitioners for relief were small farmers, who, as stated in a former part of this Despatch, were mere labourers, and possessed little capital, but who, in cultivating land on their own account, incurred liabilities which the fall in the price of their produce prevented their discharging; but the insolvents themselves lived on the abundance of the land, and when relieved of their debts were immediately able to earn good wages as labouring men again.

20. The low price of grain which proved disadvantageous to the farming class of course represents abundance and cheapness of the necessaries of life for the labouring classes.

Litigation.

21. The facilities afforded by Act 15 of 1861, extending the jurisdiction of the Local Courts, (which came into force on the 31st March 1862,) appear to have led to an increase of litigation; the total number of summonses issued for hearing in the Local Courts of the Province being 8,099, and the total amount of claims sued for being 80,953*l.*, in 1862, against 5,839 summonses issued and 39,747*l.* amount of claims sued for in 1861. The number of writs, however, issued in the Supreme Court was 1,011, against 1,120 in 1861, and the amount for which judgments were signed was 14,608*l.*, against 20,488*l.* in 1861.

Real Property Act.

22. The Real Property Act continues to advance steadily in public estimation and confidence, and in few other ways can this be more satisfactorily proved than in the fact that there is a general disposition not to lend money on any property which is not under that Act. The amount lent on mortgage under the Real Property Act in 1862 was 213,829*l.*, against 53,719*l.* in 1859. The total number of transactions in the Lands Titles Registration Office were 2,891, and the value of the land brought under the operation of the Act was 477,502*l.*, in 1862, against 2,183 and 451,475*l.* in 1861.

23. The Assurance Fund constituted by the Act, for compensating persons who may establish their title to land for which a Crown title has been issued to another, amounted at the end of the year to 4,329*l.* 3*s.* 4*d.*, of which 3,550*l.* was invested in bonds, and no demand has as yet been made upon it, which must be considered satisfactory, the Act having been already five years in operation.

24. The great benefit conferred by the Act is, that it fixes by the stamp of official authority every transaction in land under its provisions, thus doing away with the necessity for the investigation of the prior title, and the long and expensive abstracts of title which were the result of the old system, and is obviously of great advantage to those landowners whose titles, though good for holding, are not marketable, on account of some technical defect, or of the absence of the means of the strict legal proof, which the principles of the old system rendered necessary.

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25. Unquestionably in the first instance the Real Property Act received its sole support from the small land owners, who were a more numerous body compared with the large proprietors, and who, perhaps, from being frequently compelled to mortgage their property, were attracted by the cheap and speedy means of so doing thus held out to them.

26. Latterly, however, the large landowners have been equally taking advantage of it.

27. The receipts and expenditure of the establishment were as follows: In 1861 the receipts were 2,342*l.* 14*s.* 10*d.*, and the expenditure 4,416*l.* 18*s.* 5*d.*; in 1862 the receipts were 3,315*l.* 14*s.* 10*d.*, and the expenditure 4,531*l.* 15*s.* 9*d.*

Crown Lands.

28. I beg to submit for your Grace's notice the accompanying diagram,* which I have caused to be drawn up in the Surveyor General's Department, illustrating at once the rise and fall during each year, as well as the accumulation in the sale of Crown Lands during the successive years from the foundation of the Colony to date, and also exhibiting the amount realized by such sales. It shows also the number of immigrants introduced and the gross cost of the Immigration Department, which is peculiarly a charge against the Land Fund, under the system of colonization by which this Colony was founded. Accurate information connected with the statistics of the Immigration Department could only be furnished from the year 1847.

29. It will be seen that during 1862 the area of land sold by the Crown was 129,910 acres, which realized 152,659*l.*, against 147,355 acres, and for which 189,015*l.* was paid into the Treasury in 1861. From 1835 to the close of 1862 the total extent of land alienated from the Crown was 2,510,315 acres, or upwards of 4,400 square miles (giving upwards of 62 acres to each male over 14 years of age), which realized 3,150,216*l.*

30. It would be a work of supererogation to enlarge on this subject, as the diagram affords, at a glance, more information than I could hope otherwise to convey so intelligibly.

Agriculture.

31. The returns show that 2,105,877 acres of land were enclosed at the end of 1862. The average cost of enclosure, I am informed, may be stated at 70*l.* per mile. The area of land under cultivation was 494,511 acres in 1862, against 486,667 acres in 1861. The main crops cultivated were, wheat, barley, oats, maize, and hay. The wheat crop extended over 320,160 acres in 1862, giving 3,841,824 bushels, or an average produce of 12 bushels to the acre, while it covered 310,636 acres in 1861, yielding 3,410,756 bushels, or an average produce of 10 bushels and 59 lbs. to the acre.

32. The produce of 12 bushels per acre appears strikingly small when contrasted with the average produce of wheat in the United Kingdom, and which is given by Mr. M'Culloch at 30 bushels. I have before me a letter from a gentleman largely engaged in agricultural pursuits, and I do not think I can do better than to place the following extract before your Grace:—"The reason for the low average as to quantity per acre is that a very large extent of very bad land has been ploughed up; land that could scarcely be expected to yield a crop before it had been well worked and manured, and which will not be done while land is so much cheaper than labour. In fact the least possible amount of labour is bestowed upon the land here. It is simply ploughed, sown, and reaped. I know land in the neighbourhood of Gawler that has been cropped every year for the last 14 years with only one small sprinkling of manure. This slovenly mode of cultivation will easily account for the small produce in the Colony. In spite of all this there cannot be a question but that our agriculturists, &c. do progress, and improve their position and means, by adding section to section and field to field. This may be accounted for by the numerous lucrative employments they can turn their attention to, when not actually occupied on their farms; but the great help is the machine known as Ridley's reaping machine, which may with more propriety be called a thrashing machine, for it travels over and actually thrashes the crop as it stands, and with it two men (with two men to work the machine) may in an ordinary harvest day gather in from 12 to 14 acres of wheat, which after this process will only require winnowing to prepare it for the market. This machine is a colonial invention, constructed first by Mr. John Ridley about the year 1841 or 1842, in a season when it was found that the labour within the Colony was quite unequal to the task of gathering in the harvest. It has since that time been improved upon, and has become so common that no farm is to be found without one, and upon the use of this implement depends the success of our agricultural operations; for without it one tenth of the grain grown in this Colony

* Not printed.

" could not be gathered in. During the past year 252,994 acres of wheat were reaped by machine, and 66,291 acres by hand.

33. "The climate of the more southern Colonies of Australasia being so much less suited to the use of this implement gives us a very great advantage, and enables us to compete successfully with them in the produce of grain.

34. "Although the average produce of the Colony is very low, it is satisfactory to know that where an improved system of agriculture has been adopted it has proved successful, and those who have been able to improve their position and secure large farms are now adopting a more expensive course of fallowing and resting the land. and they find the yield is greatly increased. It is computed by competent authority that one man with two horses can well cultivate 80 acres of land, doing all the work that is required to plough, sow, and gather in the crop, by using the machine above referred to."

35. The exports of bread stuffs, grain, &c., the produce of the Colony, were valued at 633,241*l.* against 712,789*l.* in 1861. This decrease represents simply the decline in the value of the produce. Reference to the tables will show that the quantities of flour, bran, and pollard, wheat, barley, and oats, exported, were greatly in excess of the quantities exported in the previous year.

36. While the farmers have been actively engaged in bringing under culture an extent of land mapped out by tens of thousands of acres annually, the squatters, with untiring energy and sterling Anglo-Saxon enterprise, have been spreading their flocks and herds over country measured by hundreds of thousands of acres; and as year after year the astonishing increase of live stock proceeded they have continued to spread over wider and wider areas, until the country occupied for pastoral purposes now extends from the south-eastern angle of the Province to within 120 miles of the 27th degree of latitude, and to the westward to the head of the great Australian Bight. The country lying north-east of Spencer's Gulf, which for many years was reported to be barren and worthless, is now thickly stocked. In 1840 there were 959 horses, 16,052 horned cattle, and 166,770 sheep, grazing on the pastoral lands of the Colony; at the close of 1862 there were 56,251 horses, 258,342 horned cattle, and 3,431,000 sheep. The total area leased for depasturing purposes was 36,901 square miles, besides an area of 25,571 square miles applied for but not yet leased.

37. Commensurate with the vast increase of live stock has been the produce of the wool staple, the total export of which amounted at the end of 1862 to 13,229,009 lbs., representing a money value of 635,270*l.*

38. The accompanying diagram* will best illustrate the rapid growth of the pastoral wealth of the Province, and the map enclosed herewith shows the exact localities of the "runs" which are occupied, and also distinguishes by means of different colours the areas leased in each year, as well as the lands applied for, under the Waste Lands Regulations, but which are not yet leased. It shows also the lines of main road, in all 236 miles, formed and metalled to the close of 1862; 57 miles of railway, along which rolled 306,140 passengers and 187,762 tons of goods; the 709 miles of telegraphic lines opened, with 1,026*l.* miles of wire, by which 76,725 messages were transmitted; and also the 52 mines which were in operation, and from which metals and minerals valued at 547,619*l.* were exported.

39. With regard to the possibility of extension, that is, the possibility of profitably occupying for pastoral purposes the remote country not yet taken up, I may quote the following remarks from a recent writer, who says,—"For some years after the Colony was founded, it was held that country could not be profitably occupied 40 or 50 miles remote from Adelaide. When I first came here in 1849 the majority of the squatting stations did not extend more than 100 miles, though there were outlying stations for 100 miles more, and it was then said it was impossible profitably to go further. Now, far to the north of this point, all the country is occupied, and the further stations extend to between 400 and 500 miles from Adelaide, and now, and at all intermediate periods, the theory of the impossibility of profitable extension has had numerous advocates. I cannot, however, find any more salient arguments against further extension than have been advanced at each of these periods, and in the meantime the discoveries of Mr. Stuart and others have established that an immense tract of country is open, and fit for occupation, if the distance from the seaboard be not too great. I can only say, that during the rapid and great extension that has actually taken place precisely the same arguments have at all times been forthcoming to prove that it could not go further, and are now advanced to prove the same thing.

" The difficulties of transit are precisely among the difficulties which human ingenuity

* Not printed.]

SOUTH AUSTRALIA. " in the present age is most successfully overcoming, and are of a kind that need not greatly check our increased hopes for the future productiveness of Australia."

Imports.—Exports.

41. The total imports were valued at 1,820,656*l.*, against 1,976,018*l.* in 1861; and the total exports at 2,145,796, against 2,032,311 in 1861, of which the produce of the Colony is stated at 1,920,487*l.*, against 1,838,639 in 1861. This large and progressive increase in colonial produce will be found chiefly under the three heads of Bread Stuff's, Grain, &c., Wool, and Metals and Minerals, the exports of which together amounted to 1,816,130*l.*

Revenue.

42. The amount of revenue raised was 548,709*l.*, against 558,586*l.* in 1861. This decrease arose in the customs receipts, which stood at 116,445*l.*, against 126,465*l.* in 1861, and was the effect of the abolition of the five per cent. ad valorem duties, and the imposition of a fixed duty on the items beer, &c., spirits, wine, hops, coffee, sugar, tea, and tobacco.

Expenditure.

43. The gross expenditure was 579,382*l.*, against 482,951*l.* in 1861. The excess of expenditure over revenue is apparent but not real, since there was a balance in the Treasury on the 31st December 1862 of 73,371*l.*, and which amount was carried to the credit of this year. It is also desirable that I should observe that the sum expended on public works was 134,537*l.*, against 104,511*l.* in 1861, and payments for interest and redemption of loans for public works were made to the amount of 81,600*l.* against 50,855*l.* in the previous year.

Public Debt.

44. The amount of loans for public works outstanding on the 31st December 1862 was 853,300*l.*

Manufactories.

45. The tables referring to manufactories, works, &c., in the municipal towns and country districts, during the years 1861 and 1862, evidence the enterprize and self relying character of the colonists. There were 70 brick manufactories, against 59 in 1861, and 42 manufactories of agricultural implements, against 40 in 1861. Among the 198 other manufactories is one for the production of ice, which merits notice. Adelaide is now abundantly supplied with ice, artificially made, according to the process invented and patented by Mr. Harrison. The manufacture is conducted by Messrs. Sinnott and Co., the proprietors of the patent right for this Colony, and their manufactory has been in operation for about three years.

46. The machinery at present standing is capable of producing nearly three tons of ice in the twenty-four hours, and the ice is supplied to consumers at so moderate a rate as to have brought it into very general use, in substitution of a very uncertain supply at a very heavy expense.

Botanic Garden.

47. A botanic garden was established in Adelaide in 1855. It was suggested, laid out, and is still managed by the first Director, Mr. G. W. Francis, F.H.S., acting under a board of Governors. It consists of 40 acres of fruitful and undulating ground, commanding a fine view of home park like scenery, and of a magnificent range of mountains six or seven miles distant. Part of the ground has been excavated into extensive lakes and watercourses, which are covered with water fowl, with rustic bridges, water falls, islands, &c. About 30 acres are laid out in ornamental cultivation, and contain a vast collection of native and other plants; also there are numerous cages and enclosures for native animals.

48. In 1858 a special grant of 1,000*l.* was allowed for a domed conservatory. This is a large and handsome structure, filled with palms and other tropical produce. It is flanked by two houses for florists flowers; various summer houses, seats, and places of shelter are scattered about the ground; and numerous fountains, statues, and vases decorate various parts. There has been lately built a model in rustic work of the Parthenon, intended as a museum and lecture room. This is flanked by two rustic houses, one for ferns, the other for orchids. So favourite is the garden as a place of public resort, that generally there are hundreds of visitors, and on Sunday afternoons and on public holidays 2,000 or 2,500 are very usual numbers. Nothing is sold, and nothing charged for admittance. The garden is open every day; on Saturday and Sunday for limited hours;

on the other days from sunrise to sunset. The whole expense is about 2,500*l.* a year, SOUTH
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Exploration.

49. 1862 will be ever memorable in the annals of South Australia, as having been the year in which Mr. Stuart and his party crossed the continent from the shores on the Southern Ocean to those washed by the Indian Sea in Van Diemen's Gulf, and established the practicability of a direct overland route, and also dissipated the idea so long entertained with regard to the sterility of the interior, and its utter unfitness for profitable settlement. In my Despatch No. 73., of the 23d December 1862, I informed your Grace that Mr. Stuart, in speaking to me of this route, had used these words, "that it could be made a straight line for telegraphic purposes, whilst no difficulty exists on the whole line to prevent horses, cattle, or sheep from being driven across, having been in his last journey only one night without water, and of the permanency of these waters he has not the least doubt."

Gold.

50. For some time past there has been a growing conviction that the range of mountains within sight of this city present strong indications of the existence of gold bearing rocks. This belief possesses importance from the fact that gold has been discovered, in small quantities, at various intervals of time, and in several places along the range, besides which several shafts have been sunk at Echunga, and from which gold in paying quantities has been obtained. The diggings there strike me as being similar in appearance to some of the Victorian gold fields, which I visited in the early part of 1862. There is an impression abroad that the search for gold has not hitherto been carried on with sufficient energy, or with that combination of theory and practice which becomes so important to ensure success in mining matters. Urged by these views, I am happy to report that my Government has just engaged the services of Mr. Hargraves, the gentleman so well known in connexion with the gold fields of Victoria and New South Wales, and who is to receive a salary at the rate of 1,000*l.* a year during the time he shall be engaged in superintending the search for gold in this province. The Parliament have also offered a reward of 5,000*l.* to the discoverer of a remunerative gold field. It therefore appears more than probable that at no distant day I may have the satisfaction of announcing to your Grace that the precious metal has been added to the many existing sources of prosperity of this thriving Colony.

Conclusion.

51. I have treated the subjects embraced in this Report at greater length than I had at first contemplated, but I have found it difficult to say less, due regard being had to their importance, as illustrating the rapid growth and present prosperous state of the Colony.

I have, &c.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

(Signed) D. DALY, Governor.

Enclosure in No. 19.

REPORT to the Honourable HENRY AYERS, M.L.C., Chief Secretary, &c. &c. &c.

Encl. in No. 19.

SIR,

Chief Secretary's Office, Adelaide, July 20, 1863.

In presenting the "Statistical Register of South Australia for the year ended 31st December 1862," I have the honour to submit, for the information of his Excellency the Governor-in-Chief, the accompanying prefatory report.

Having on several occasions drawn attention to the advantages derivable from the dissemination of carefully prepared statistical returns upon all subjects of importance, whether relating to the social progress or material welfare of the Colonists, I may be permitted to state that, through the support the Government have been pleased to accord to me, the fifth annual issue of this volume appears as a reliable record of all matters affecting the Colony, of which statistics can be at present collated. Experience continually suggests improvements in the method of rendering the information, some of which will be observed in the following tables; and in these brief remarks I shall epitomise the chief facts brought to light, with a view to afford those persons, who from want of opportunity or inclination are precluded from studying voluminous statistical tables, a general insight into the subjects of which they treat, and for the information of the many here and abroad whom the more detailed reports annually presented to Parliament fail to reach, but who are deeply interested in the Colony's development.

Births, Marriages, and Deaths.

Additional returns are this year inserted, showing the births and deaths in each month, together with the causes of death, specified in the several classes and orders as at present adopted by the

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SOUTH AUSTRALIA. Registrar-General of England and the neighbouring Colonies. As the Registrar-General of births, deaths, and marriages now presents an annual report on this subject, it becomes unnecessary to refer minutely to the vital statistics of the Colony. The following are the principal results.

In 1862, 6,075 births were registered; 3,090 males and 2,985 females; exceeding the number registered in the previous year by 574. 1,189 marriages were solemnized, being 31 more than last year.

Of the 1,918 deaths recorded, or 44 less than in the previous year, 814 were those of infants under one year, and 1,028 under two years of age, together forming 53 per cent. of the total mortality, against 53·8 per cent. in 1861, and 57·7 per cent. in 1860.

The natural increase of the population by the excess of births over deaths was 4,157 persons, or at the rate of 3·1 per cent., against 2·8 per cent. in the previous year.

Charitable Institutions.

Classed under this head are returns solely from the establishments supported by the State for the relief of bodily and mental suffering, and which take the place of what are elsewhere chiefly sustained by private benefaction or voluntary subscriptions. Great assistance is afforded, however, to the sick through the agency of numerous friendly societies throughout the Colony, and by various private benevolent institutions; but no reliable record of their operations in this respect is at present obtainable. It should be borne in mind that the Government establishments in Adelaide receive cases from all parts of the Colony, and therefore must not be viewed as the eleemosynary assistance required by the metropolis.

The number of patients admitted to the Adelaide Hospital during 1862 was 752, or 40 more than in the previous year. The number of cases treated was 842, out of which 60 terminated fatally; 663 patients were discharged (cured or relieved), and 119 remained in the establishment on the last day of the year. The daily average number in the hospital was 106; 65 males and 41 females; against 89 in the year 1861.

The diseases treated are specified for ten years under their various classes; and although, during that period, the annual number of patients treated has increased from 398 to 842, it is satisfactory to notice that the deaths were, with one exception, less numerous last year than in either of its predecessors. The average duration of stay of patients, whether labouring under acute or chronic diseases, bears a similarly favourable contrast with former years.

The records of the Lunatic Asylum show the number of inmates at the commencement of the year to have been 167, and the admissions during the year 73 persons; 45 males and 28 females; making a total number of 240 patients treated, or 30 more than in 1861. 44 inmates were discharged (either cured or relieved), and 19 deaths occurred; 12 males and 7 females; reducing the number remaining in the asylum on the last day of 1862 to 177 persons, or an increase of ten over the number at same date last year. The average daily number of inmates was 171; 97 males and 73 females; against 152 in the previous year.

The number of inmates of the Destitute Poor Asylum was 116; 58 males and 58 females; all of whom may be classed as aged and infirm, or sick persons, and deserted children; no able-bodied person being at any time allowed in-door relief. These numbers are considerably less than in any year since 1856, and show a reduction of 20 on the last return. The number of persons to whom out-door relief was administered has fallen from 429, in 1861, to 347, being many less than the number relieved in either of the three previous years. All the male adults and many of the females were relieved in consequence of sickness; the residue, with the whole of the children, became recipients either through the death or desertion of the head of the family.

The total cost of these establishments is defrayed by Government, and amounted in 1862 to 14,336*l.*, a considerable reduction on the annual expenditure of each of the preceding six years, in connexion with charitable institutions.

Crime.

From the circumstance of this Province never having been a receptacle of transported offenders, is to be attributed the comparative immunity from peril of life and property, serious offences, in South Australia, being of unfrequent occurrence. After an interval of eight years, however, during which period no white person suffered the extreme penalty of the law, two offenders were convicted, in 1862, of the crime of murder, and sentences of death carried into execution.

With the above exceptions, the number of convictions in the Supreme Court, for offences against the person, have numbered eight only in each of the three past years; offences against property, brought to a conviction, numbered 36, against 40 in 1861. The total number of offenders convicted before a jury was 64, being two more than in 1861, but many less than in either of the nine years preceding.

Of 336 cases preliminarily investigated in the magistrates courts (a less number than in any year since 1856), 117 were committed to the Supreme Court; 90 to the local courts of full jurisdiction, and 129 were dismissed. The proportion of convictions in the Supreme Court is about 55 per cent. of the number committed for trial.

Minor offences, informations laid under Acts of Council, and charges of drunkenness, heard and determined by the magistrates in a summary way, numbered 3,618 cases, and 495 informations were laid, but not proceeded with. The number of minor charges preferred is yearly increasing, but the convictions do not maintain a similar proportion. The number of charges of drunkenness in streets was 925, or one less; and the convictions, 891, or two less than in the previous year. Comparing the convictions for this offence during the past three years against those of the three preceding years, viz. 2,650 and 3,526 respectively, it will be seen that this evil has very considerably lessened.

*Education.*SOUTH
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Returns of the Central Board of Education show an increase in the number of licensed schools and schoolmasters; the former being 227, the latter 155. The number of schoolmistresses was 72. The scholars number 11,417 on the rolls, the average attendance being 8,810, an increase of 504 on the previous year. Seventy-seven per cent. of the whole number of scholars were taught at schools situate in the country districts, 14 per cent. in the city of Adelaide, and nine per cent. in other municipal towns. The proportion of boys to girls was 53·7 to 46·3 respectively, nearly the same as in the three previous years. Seventy-eight per cent. of the numbers on the roll attended on the average; a slight improvement. The average number of scholars on the roll at each licensed school 50·3; the average attendance 38·8. The above relate only to licensed schools. It is estimated that, including private schools, the proportion of scholars to the whole population is as 1 in 7·6. Forty-eight district schoolhouses have been erected on an approved plan, and to which aid has granted to the amount of 9,133*l.* 16*s.* 4*d.* The expenditure defrayed by the Board amounted in 1862 to 14,852*l.* 2*s.* 6*d.*, of which 11,551*l.* 10*s.* was distributed in stipends to teachers, giving an average amount for each scholar of 1*l.* 0*s.* 2*½d.* 10,695*l.* 3*s.* was received by teachers from parents, &c. of scholars, as school fees, making for each scholar 1*l.* 0*s.* 4*½d.* In addition, 860*l.* 12*s.* was paid in the shape of fees by the Government for the education of destitute children and orphans, giving an average cost of each child 1*l.* 19*s.* 0*¾d.* Each licensed school costs on the average 61*l.* 5*s.* 4*½d.*, all expenses included.

The returns from the South Australian Institute, and the country institutes, 27 in all, show a large increase in the numbers availing themselves of these educational aids, additional material for usefulness, and increased support in voluntary subscriptions. The total number of books in their respective libraries was 24,166; the number of subscribers, 2,157; and the annual income, 2,228*l.*, exclusive of the Government grant, amounting to 1,500*l.*

During the past 10 years Government has devoted 133,828*l.* to the cause of education; in 1862 the expenditure amounted to 16,179*l.*

Exchange, Currency, &c.

The banking returns now being supplied to an uniform date, a comparison of the assets and liabilities of the several banks can be instituted half yearly. During the past few years, banking facilities have been much extended, branches having been established in all towns of importance throughout the Province.

The following is a comparison of the statements of the average liabilities and assets of the several banks within the Colony for the half years ended 31st December 1861 and 1862 respectively, taken from the weekly statements :—

LIABILITIES.			
—	1861.	1862.	—
Notes in circulation	£ s. d.	£ s. d.	
- - -	238,223 8 7	228,766 7 8	
Bills in circulation	9,020 3 3	9,851 7 4	
Balances due to other banks	33,705 14 11	17,171 12 8	
Deposits	743,737 10 5	703,035 11 3	
Total average liabilities	£ 1,024,686 17 2	£ 958,824 18 11	

ASSETS.			
—	1861.	1862.	—
Coin and bullion	£ s. d.	£ s. d.	
- - -	338,255 19 11	270,433 13 7	
Government securities	4,600 0 0	4,600 0 0	
Landed property and bank premises	52,534 8 10	56,461 1 11	
Notes and bills of other banks	12,824 12 3	9,268 15 2	
Balances due from other banks	28,651 6 1	47,244 0 0	
Notes and bills discounted, and other debts due to banks not enumerated	1,432,201 18 3	1,542,906 19 0	
Total average assets	£ 1,869,068 5 4	£ 1,930,914 9 8	

The usual returns, showing the rates of exchange and of interest allowed to depositors prevailing during the year, are also given, together with statements of the coin and bullion held, and the note circulation of the banks during the past eight years.

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This institution affords, through its annual returns, a valuable index to the state of the industrial classes, as regards their power of accumulation and general prosperity. Still more favorable than even its predecessors, the statement for the year 1862 shows a large increase in the number of depositors, and in the amount deposited, and strongly evidences the favorable position of the class most largely availing itself of the benefits of this institution. The following figures give the more important items of the returns for the four past years:—

		1859.	1860.	1861.	1862.
New accounts	- - - No.	706	898	1,081	1,264
Increase in depositors	- - - "	271	367	681	629
Amount deposited	- - - £	39,430	52,293	65,373	79,482
" withdrawn	- - - "	34,906	38,168	37,627	54,495
" depositors' balances	- - - "	71,895	88,889	121,414	152,663
" reserve funds	- - - "	7,550	9,126	10,175	10,842
" total funds	- - - "	79,445	99,016	131,590	163,506

The amount lent on mortgage now amounts to 106,362*l.* sterling.

In 1862, a branch was opened at Port Adelaide. The figures for the previous years apply, therefore, to the chief office, which, up to the close of 1861, conducted the whole business for the Colony. The numerous friendly and building societies and kindred institutions have, however, afforded means to the working classes of investing their savings to a very large extent.

Immigration and Emigration.

Government assisted immigration was resumed towards the close of the year, after a lapse of 20 months; the returns showing an addition to the population, by the excess of arrivals over departures, of 545 souls. Two immigrant ships arrived during the latter part of 1862, bringing 611 persons, thus nearly counterbalancing the efflux to the New Zealand Gold Fields in the early part of the year. The returns of departures hence now being checked by the official list of arrivals in the neighbouring colonies, intercolonial migration by sea is accurately enumerated.

The two immigrant vessels above referred to brought 281 males and 330 females; 293 of English, 183 of Scotch, and 135 of Irish nationality.

From Great Britain the total arrivals numbered 972, against 334 last year; the departures for Great Britain were 256, and 244 last year. From British Colonies, chiefly the neighbouring, 2,111 persons arrived, against 2,598 in 1861; and the departures 2,421 persons, against 1,833 in the previous year. Of the 2,421 persons departing in 1862, 1,438 were adult males, most on a temporary visit to the gold fields. 147 persons arrived from foreign states. Only eight departed direct for foreign ports. The aggregate arrivals numbered 3,230, the departures 2,685, leaving an increase of 545 souls, as above stated.

Without a continuous stream of well-selected immigrants, the working power of the population cannot be maintained, even at its present small ratio. Of the whole community, the males of 14 years of age and upwards form only about 35 per cent. During the five years, 1853-7, 38,457 persons were added to the population by immigration. In the same period, 33,420 persons were introduced at the public expense. During the last last five years, 1858-62, 7,168 Government immigrants have arrived; but the net increase of population by sea has only been 6,531 persons during that period. The immigration expenditure during the former quinquennial period was 611,109*l.* 19*s.* 7*d.*, and 149,249*l.* 1*s.* 7*d.* during the latter.

Imports and Exports.

The combined import and export trade last year was slightly under that of its predecessor, being 3,966,452*l.*, against 4,008,329*l.* The falling off occurs in the imports, which amount to only 1,820,656*l.*, against 1,976,018*l.*, whilst the exports have increased from 2,032,211*l.* to 2,145,796*l.* There appears in 1862 a net excess of exports over imports of 325,140*l.* against an excess of 56,293*l.* in 1861. Imports retained for home consumption amounted to 1,595,347*l.* during the year, against 1,782,346*l.* in 1861. The increase on the exports of produce of the Colony is 81,848*l.*; the figures for the two years being 1,920,487*l.* and 1,838,639*l.* respectively. The value of imported goods reshipped and exported was 225,309*l.*, against 193,672*l.* in 1861.

From the United Kingdom we received 1,178,963*l.* worth of goods, being an excess of 235,356*l.* over the exports hence, 943,607*l.* The direct trade with the Mother Country now reaches over 2,000,000*l.* sterling, the balance of trade being considerably in favour of South Australia, taking the shipments to Great Britain by way of Melbourne into account.

Victoria supplied us with goods to the value of 198,274*l.*, the exports thence reaching 556,422*l.*, a balance of 358,148*l.* in our favour. The combined import and export trade with that Colony during the past year fell to 754,696*l.* from 1,191,808*l.* in 1861, occasioned by a reduction in the quantity of goods imported of 167,754*l.*, and in the value of the exports of 269,373*l.* on that year's operations.

Exports to New South Wales have increased from 252,713*l.* in 1861 to 323,994*l.* in 1862, the imports thence falling from 206,819*l.* to 129,798*l.*, the balance of trade in favour of this Colony advancing from 45,894*l.* to 194,196*l.*

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Other Australian Colonies received from this Province produce to the following amounts:—
Queensland 1861, 11,650*l.*; 1862, 20,264*l.* **Western Australia** 1861, 19,742*l.*; 1862, 13,178*l.* **And New Zealand** in 1861, 20,801*l.*, rising to 72,870*l.* in 1862. The shipments to the Cape Colony in 1861 were valued at 2,706*l.*; in 1862 at 20,446*l.*; and to India the exports have risen from 33,858*l.* to 145,645*l.* From the before-mentioned places the imports are inconsiderable. The imports (23,631) from Tasmania exceeded the exports thence by 21,287*l.* From China in 1861 we received 66,539*l.*, and 84,119*l.* in 1862, without any direct export in return.

The usual detailed tables of imports and exports supplied by the Collector of Customs are appended, showing the quantity and value of articles, place of shipment, quantity entered for home consumption or of Colonial produce exported, and the amount of customs duties collected.

Exports, the Produce of the Colony.

Similar information to that afforded in previous years is given under this head, showing the shipments of South Australian staple produce during the past decennial period, and the places to which the chief articles have been exported.

The following tables show at a glance the rapid strides made during that period in the export trade of the three great staples, breadstuffs, wool, and minerals. Since 1852 the aggregate exports of Colonial produce has amounted to thirteen and a half millions, of which the exports of flour and grain, after supplying our own requirements, amounted to over five millions; of wool, to over four and a quarter millions; and of minerals, chiefly copper, to over three millions and a half sterling, the remaining half million being composed of miscellaneous products, raw or manufactured.

The total exports of produce and of each of the great staples in the years 1853, 1857, and 1862,—the shipments in the five years ended 1857 and 1862 respectively,—with the average annual export during those periods,—and the proportion which the shipments of agricultural, pastoral and mineral produce bore to the whole of produce exported, are shown in the next table.

Period.	Total Exports of Produce.	Of which Exports.			
		Breadstuffs, Grain, &c.	Wool.	Copper and other Minerals.	Miscellaneous Products.
In the year 1853	731,595	257,144	236,020	176,744	61,687
" 1857	1,744,184	755,840	504,520	458,839	24,985
" 1862	1,920,487	633,241	635,270	547,619	104,357
Total in five years, 1853-57	5,255,521	2,121,972	1,618,601	1,294,013	220,935
" 1858-62	8,192,658	2,924,795	2,737,455	2,230,628	299,780
Average of five years, 1853-57	1,051,104	424,394	323,720	258,402	44,187
" 1858-62	1,638,131	580,959	547,491	446,125	59,956
Rate per cent. of average exports of 1853-57	100	40·4	30·8	24·6	4·2
" " 1858-62	100	35·4	33·4	27·2	3·9

It will be seen that whilst at the commencement of the decade (1853) the exports of produce did not amount to three quarters of a million, they reached at its close nearly two millions sterling. The average yearly shipments of the first five years 1853-57 were valued at 1,051,104*l.*, and of the second, 1858-62, at 1,638,131*l.*; the actual exports in the past year amounting to 1,920,487*l.*, declared value.

The average annual exports of the five years ending 1862 show the following increases upon the average of the previous five years, viz.:—

Upon the total exports of produce 56 per cent.; upon the export of breadstuffs 37 per cent.; upon wool 67 per cent.; upon copper and other minerals 70 per cent. increase; and 36 per cent. on miscellaneous products.

Each class of staple-produce exports contributed in the following proportions to the total shipments of South Australian produce, calculated upon the yearly average of the six quinquennial periods mentioned, viz.:—

Of the Total Shipments.	Average, 1851-1855.	Average, 1852-1856.	Average, 1853-1857.	Average, 1856-1860.	Average, 1857-1861.	Average, 1858-1862.
Breadstuffs, &c. formed per cent.	32·3	37·1	40·4	38·2	38·0	35·5
Wool "	28·4	29·0	30·8	31·6	32·5	33·4
Copper, &c.	32·9	28·5	24·6	27·6	26·7	27·2
Miscellaneous products "	6·4	5·4	4·2	2·6	2·8	3·9

It therefore appears that the three great staples are now shipped in nearly equal proportions, and that the shipments of agricultural products, so long predominant in the returns, have declined,

SOUTH AUSTRALIA. while those of the pastoral and mining interests have advanced. The first-named class gave 35½ per cent., the second class 33½ per cent., and the third 27 per cent. of the average annual export of staple produce during the years 1858 to 1862 inclusive.

Bread Stuffs, Grain, &c.

With reference to the value of cereal produce exported, as shown in the preceding table, it will be remarked that the value of the shipments in 1857 exceeded those of 1862, owing to the high rates ruling in the former year. The quantity exported in 1862 was 51,092 tons (flour and wheat), against 37,554 tons in 1857, an increase of 13,538 tons, or 36 per cent.

The value of bread stuffs exported in 1861 amounted to 712,789*l.*, against 633,241*l.* last year; but the quantity of flour and wheat shipped was 3,100 tons more in 1862 than in the previous year. The export during the past five years has averaged in value 580,959*l.*, against 424,394*l.* in the previous similar period; but the quantity shipped in those periods amounted to 180,779 tons and 85,509 tons respectively. The export of wheat in grain has increased six fold, whilst that of flour has not doubled, comparing the average of the years 1858–62 with that of 1853–7, as exhibited in the annexed table.

Period.	Flour.	Wheat.	Total (in Flour).	Bran and Pollard.
In the year 1853	Tons. 7,671	Bushels. 61,856	Tons. 9,045	Tons. 2,710
" 1857	33,103	200,328	37,554	6,553
" 1862	35,604	696,960	51,092	6,700
Total in five years, 1853–57	76,676	397,504	85,509	17,564
" 1858–62	132,113	2,189,992	180,779	24,199
Average of five years, 1853–57	15,335	79,501	17,102	3,513
" 1858–62	26,423	437,998	36,156	4,828

At present the largest customer for wheat and flour is New South Wales, taking 13,869 tons of the latter, and 39,460 quarters of the former. Victoria took 10,416 tons flour, and 18,153 quarters of wheat; a very considerable decrease upon the quantity shipped there in 1861. New Zealand took 1,972 tons flour and 17,673 quarters of wheat; and Queensland, Mauritius, and Cape Town about 1,500 tons each; all much larger quantities than had hitherto been shipped to those markets. Small parcels were shipped to India, Batavia, and Hong Kong; thus opening up new markets. To Great Britain the exports of flour amounted to 3,607 tons (against 344 tons in 1861), and of wheat to 6,303 quarters, against 30 quarters in the previous year.

Wool.

Last year, 13,229,009 lbs. weight of wool were shipped, against 13,164,391 lbs. in 1861; the declared value being 635,270*l.* and 623,007 respectively.

From the decennial return it will be seen the total shipment of wool during the five years ending 1857 was 31,592,636 lbs., giving an average annual export of 6,318,527 lbs. weight; and that the shipments of the past five years nearly doubled those amounts, having reached 55,396,711 lbs., and the average yearly shipment 11,079,342 lbs. weight. The shipments in 1862 were nearly treble those of 1853, ten years ago.

After deducting from the total of last year's shipment the quantity of wool imported via River Murray (989,720 lbs.), it appears that the South Australian clip amounted to 12,239,289 lbs., which gives the average weight of each fleece at a trifle over 3½ lbs., calculating the total number of sheep and lambs returned for that year, viz., 3,431,000, to have been shorn.

The following summary shows the rapid increase in the export of wool which has characterized the last 10 years.

Period.	Quantity.	Value.		
		Lbs.	£	s. d.
In the year 1853	4,607,281	236,020	0	0
" 1857	9,695,203	504,520	0	0
" 1862	13,229,009	635,270	0	0
Total in five years, 1853–57	31,592,636	1,618,601	0	0
" 1858–62	55,396,711	2,737,455	0	0
Average of five years, 1853–57	6,318,527	323,720	0	0
" 1858–62	11,079,342	547,491	0	0

During the past three years wool has been shipped from each of the following ports in the proportions stated :—

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		1860.	1861.	1862.
From Port Adelaide	- - -	Lbs. 5,699,200	Lbs. 6,662,020	Lbs. 7,162,092
Port Wakefield	- - -	1,908,800	2,285,269	2,041,550
Port Robe	- - -	1,549,540	876,660	1,758,980
Port Augusta	- - -	2,573,831	3,335,442	2,180,354
Port MacDonnell	- - -	—	5,000	42,593
Port Wallaroo	- - -	—	—	43,500
Total Export of Wool	-	11,731,971	18,164,391	18,229,009

At the new ports, MacDonnell and Wallaroo, 42,593 lbs. and 43,500 lbs. of wool were laden. The quantity shipped to Great Britain by way of Melbourne during the year was 483,093 lbs.; the remainder going direct.

Minerals.

Mineral produce has been shipped from South Australia during the last ten years of the value of 3,524,641*l.* During the first half of that period 1,294,013*l.*, and 2,230,628*l.*, or nearly double the amount, during the latter. In 1862 the exports reached to 547,619*l.*, greater than in any preceding year, and 95,447*l.* more than in that previous.

The following table gives the quantities of mineral produce exported in quinquennial periods, with the average yearly shipments :—

Periods.	Copper.	Lead.	Copper Ore.	Lead Ore.	Regulus.
Total in five years, 1853-57	Cwts. 146,550	Cwts. 34	Tons. 28,557	Tons. 1,646	Tons. 245
" 1858-62	316,889	4,767	35,138	1,295	1,441
Average of five years, 1853-57	29,310	7	5,711	329	49
" 1858-62	63,378	953	7,026	259	288

Last year, 85,872 cwt. of fine copper were shipped, against 61,047 cwt. in 1861. Of the former, 26,005 cwt. were sent to Great Britain; 31,382 cwt. to Melbourne, for transhipment; and 28,145 cwt. to India. The greater part of the ore being now smelted in the Colony, the export of the crude mineral last year was only 6,216 tons, against 7,817 tons the year before. This quantity went forward to England direct and by way of Melbourne in about equal proportions. Of lead, only 426 cwt. were shipped, against 1,256 cwt. in 1861; but an increase appears under the head of lead ore and of regulus; of the latter, 418 tons were exported.

Miscellaneous.

Various manufactures and raw materials, the produce of South Australia, to the value of half a million sterling, have been shipped during the past decade; in 1862, 104,357*l.*, or double the value in 1861, were exported,—consisting, amongst others, of the following items, viz.: drays and agricultural implements 1,495*l.*; horses 536 value 11,095*l.*; sheep (6,369) 7,838*l.*; leather 2,297 cwt. 10,073*l.*; tallow 1,031*l.*; bark 2,866*l.*; gum 1,628 cwt. 1,215*l.*; hides, skins, bones, and hoofs, 2,142*l.*; bacon and hams 324 cwt., and 3,515 cwt. butter, value 19,316*l.*; eggs 5,985*l.*; hay 9,130*l.*; fruit 8,766*l.*; onions 870 cwt. 453*l.*; and of wine 20,574 gallons, declared at 6,777*l.* value. These articles show a considerable increase on the shipments of former years, and in the aggregate make up an important addition to the amount of exports the produce of the Colony.

River Murray Trade.

With settlers on the Victoria side of the river but little trade was effected during 1862, via the Murray, they taking only 2,020*l.* worth of goods, against 9,512*l.* in 1861, and having ceased to export wool by the river. The shipments to New South Wales increased from 44,107*l.* in 1861 to 60,822*l.*; receiving in return 52,927*l.*, principally wool (2,394 bales), against 119,647 the year before.

Insolvencies.

Although last year the number of insolvencies (168) was 62 more than in 1861, the deficiency (68,970*l.*) shown in the insolvents schedules was only 5,209*l.* greater, owing to most of the petitioners for relief being small farmers. 91 fiats were issued on the petition of debtors at large; 64 on petition

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of imprisoned debtors, of whom 52 applied in formâ pauperis, and only 10 on petition of creditor. In addition, six private arrangements by deed, of which the official assignee had notice, were made during the year. The total amount of liabilities was 145,788, and of assets 76,818*l.*, as declared in the insolvents' schedules.

Lands—Crown.

During 1862 the extent of land sold by the Crown was 129,910 acres, against 147,354 acres in 1861. Of these, 85,636 acres were country sections, realizing at public auction 1*l.* 3*s.* 5*d.* per acre, in 882 lots; 7,280 acres in 68 special country lots, at an average of 1*l.* 3*s.* 3*d.* per acre; and 104 acres town lands, realizing 27*l.* 5*s.* 3*d.* per acre. In addition to the above, 36,890 acres of country land that had previously passed the hammer were bought privately, at an average rate of 1*l.* per acre. The total area of land alienated to the 31st December 1862 was 2,510,623 acres. The land sales altogether amounted to 148,695*l.* against 183,352*l.*, in the previous year.

With reference to the extent of land leased by the Crown for depasturage purposes, 37,224 square miles have been granted on fourteen years leases, of which 7,054 square miles have been resumed by the Government, leaving, at the close of 1862, 30,170 square miles in occupation under this tenure; many thousand square miles of country, however, are held under claims for leases yet to be issued. 110 annual leases with right of renewal, comprising 3,587 square miles, were issued, making the total of leased depasturage, 33,757 square miles. The total rent received at the Treasury during the year for pastoral leases, together with the assessment on stock running thereon, amounted to 77,049*l.*, and the sum of 3,078*l.* was paid for depasturage of stock on waste lands within hundreds.

Applications for mineral leases numbered 237, against the unprecedented number of 1,002 in 1861; most of the latter, however, were not proceeded with. 218 leases are now current, including 16,096 acres of land, six leases for 445 acres having been cancelled. Last year, 250 applications were forfeited after expiry of right of search. The usual returns are given of the number of depasturage certificates, timber, gold, and quarrying licences issued, and the rent derived from aboriginal reserves; also, a statement of the total amount received at the Treasury during the last ten years for the sale and occupation of the waste lands, by which it appears the amount derived from this source in 1862 nearly reach a quarter of a million sterling.

Litigation.

Under this head the information afforded gives those interested an opportunity of ascertaining the effect of the late extension of the jurisdiction of the Local Courts. The number of writs issued in the Supreme Courts was 1,011, against 1,120 in 1861; the records entered for trial 67, or 36 less than in the previous year. 41 bills, claims, and petitions in equity were heard; 54 probates, for 175,074*l.* of property, were sworn to, against 47, for 67,447*l.*, and letters of administration to the number of 44, against 37 in 1861, were issued, representing 42,770*l.* and 36,640*l.* respectively. 12 divorce and matrimonial causes were heard, and three appeals from the Insolvency and 16 from the Local Courts were entertained. From the tabular statements of the number of cases heard in the Local Courts during the past three years, of which the following is an abstract, it will be seen that litigation has been much increased by the facilities afforded under the new Act:—

—	—	1860.	1861.	1862.
Summonses issued	- - - No.	7,231	5,839	8,099
Amount of claim	- - - £	50,106	39,747	80,953
Judgments obtained	- - - ,	18,358	14,413	25,231

As a large number of cases were settled out of court, after the issue of the summons, and before being called on for hearing, the whole amount recovered through the agency of these courts is not fully represented by the figures set forth in the third line of the preceding table.

Loans for Public Works.

The public debt of South Australia, incurred for the formation of railways, waterworks, and harbour improvements, all now completed, amounted at the close of 1862 to 853,300*l.*

Since the first issue, in 1854, bonds representing the sum of 1,005,900*l.* have been issued, of which 152,600*l.* were redeemed up to date of the return.

The amount expended on the above-mentioned public works is 1,015,149*l.* 15*s.* 10*d.*, against which the amount of loan now outstanding is 853,300*l.* as before stated.

Meteorological.

In addition to very full meteorological observations supplied by C. Todd, Esq., Observer, &c., the following abstract, showing the rain-fall at Adelaide during each month of the last 24 years, has been obligingly furnished by G. S. Kingston, Esq., M.P., who has recorded this valuable information since the foundation of the Colony:—

YEARS.	Average Annual Fall, as shown by preceding Observations.												
	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	Total for the Year.
1839	Inches. 0'453	Inches. 0'446	Inches. 0'85	Inches. 0'379	Inches. 0'245	Inches. 3'497*	Inches. 2'128	Inches. 4'767*	Inches. 0'85	Inches. 2'574	Inches. 3'31*	Inches. 0'345	Inches. 19'84
1840	-	-	-	0'335	2'01*	0'437	1'202	1'487	3'247*	1'9	2'930*	4'64*	1'9*
1841	-	-	-	0'45	0'35	0'81	3'57*	1'71	2'32	0'758	2'823	2'045	0'94
1842	-	-	-	0'37	0'71	1'015*	1'803	2'05	2'401	2'09	2'77	1'931	2'633*
1843	-	-	-	0'21	0'54	0'59	1'06	2'98*	1'72	3'307*	2'16	1'085	1'64*
1844	-	-	-	0'41	0'175	0'74	1'68	1'845	1'138	3'655*	2'115	2'34*	1'045
1845	-	-	-	0'134	0'33	0'28	0'53	2'03	3'695*	2'245	3'268*	1'95	1'163
1846	-	-	-	0'14	2'32*	0'675	2'5*	3'58*	1'97	3'78*	2'64	2'59	2'235*
1847	-	-	-	0'17	0'03	1'608*	3'5*	2'37	7'8*	4'49*	1'77	2'335*	0'655
1848	-	-	-	0'00	0'0	0'905*	0'75	2'23	1'32	2'48	2'85	3'19*	2'88*
1849	-	-	-	0'00	0'235	0'61	2'20*	1'835	7'21*	4'03*	3'511*	2'423*	0'79
1850	-	-	-	4'00*	0'13	0'25	0'9	1'74	3'54*	1'00	1'27	2'154	0'72
1851	-	-	-	0'123	0'15	0'952*	1'53	6'34*	3'34*	5'04*	5'36*	2'808*	1'2
1852	-	-	-	1'5	0'4	0'03	2'17	2'97	3'06	4'33*	6'24*	2'04	1'57
1853	-	-	-	0'405	0'675	0'328	6'78*	4'468*	2'67	2'408	2'405	3'453*	2'073*
1854	-	-	-	0'103	0'03	1'05*	2'815*	1'525	1'158	2'556	2'548	0'711	1'737
1855	-	-	-	0'04	1'28*	3'12*	1'1	3'033*	2'545	3'33*	1'876	3'413*	1'733
1856	-	-	-	0'875*	2'5*	0'598	3'035*	2'645	6'223*	1'573	1'868	1'655	2'475*
1857	-	-	-	0'49	0'78	3'825*	1'247	0'704	4'505*	1'86	3'315	0'90	2'1*
1858	-	-	-	0'86*	2'67*	0'23	1'33	4'145*	1'06	3'02*	1'683	2'016	0'635
1859	-	-	-	0'34	1'10*	0'0	0'735	4'67*	2'075	0'75	1'733	0'671	1'455
1860	-	-	-	0'175	0'0	2'105*	4'405*	2'456	3'628*	1'408	0'765	1'662	1'445
1861	-	-	-	0'40	0'58	1'46*	2'005*	4'253*	1'041	4'163*	1'168	2'43*	1'825*
1862	-	-	-	0'275	0'78	0'39	1'611	5'15*	1'81	5'405*	3'338*	1'755	1'165
Average of 21 years (1839 to 1859, both inclusive) -	0'543	0'808	0'903	1'977	2'631	3'166	2'706	2'857	2'156	1'626	1'414	1'163	—
													21'903

* Shows when the fall of the month and year is above the average.

The above statement shows that the yearly fall of rain has varied between 30'633 inches in 1851 and 14'842 in 1859, or a difference of rather more than 50 per cent. between the highest and lowest. The average monthly and yearly rain-fall as deduced from 21 years (1839 to 1859 inclusive) observations are also given. Taking the average in septennial periods ending 1845, 1852, and 1859 respectively, the rain-fall of the middle septennial period, 25'275 inches, was greatly in excess of both the others, while the latter is also in excess of the first period. The average annual fall during the first seven years was 19'303 inches, during the second 25'275 inches, and during the last 21'132 inches respectively.

Population.

Since the census taken in April 1861, when 126,830 persons were enumerated, the population tables have been made up from the registry of births and deaths, and from lists of arrivals and departures by sea, corrected by returns from the neighbouring Colonies. No record is kept of the number of persons crossing the frontier.

The following abstract shows the estimated population on the 31st December 1862:—

	Males.	Females.	Persons.
Population on 1st January 1862	67,254	63,373	130,627
Increase of population by excess of immigration over emigration (by sea), to 31st December 1862	304	241	545
Increase by excess of births over deaths up to 31st December 1862	2,050	2,107	4,157
Total on 31st December 1862	69,608	65,721	135,329
Increase in 1862	2,354	2,348	4,702

In addition to the above, 300 Chinese disembarked at Port Robe, and proceeded immediately overland to Victoria.

Postal.

Very great facilities are afforded to the public in the way of internal postal communication, considering the thinly peopled and extensive area of the outlying districts. 17 additional post offices were opened during the year, and the length of the mail routes extended from 2,295 to 2,571 miles.

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The distance travelled by mails is a better criterion of the expansion of the postal system, having increased from 478,426 miles to 553,890 miles during the 12 months. The following figures show considerable increases:—

—	1861.	1862.
Number of letters - - - -	1,540,472	1,640,153
Number of newspapers - - - -	1,089,424	1,136,023
Income - - - - £	16,496	17,448
Expenditure - - - - ,	16,423	18,582

The extension of the money order system in connexion with the post office and telegraph departments, to Great Britain and the neighbouring Australian Colonies, will be attended with great benefits to the industrial classes in the safe transmission of small amounts; nearly every town of importance in this, and the adjoining provinces being in correspondence under this system.

Public Worship.

Under this head will be found the statistical information supplied by the several religious denominations. During 1862 additional accommodation was largely provided by the erection of 36 places of worship containing 7,881 sittings. The rapid increase of late years is exhibited in the following figures, showing that three-fifths of the whole population can now be accommodated with sittings at the same time. With but few exceptions, in the early days of the Colony, this result has been arrived at by the unaided voluntary efforts of the colonists:—

—	1860.	1861.	1862.
Number of churches or chapels - -	343	374	410
„ sittings in ditto - -	57,735	65,056	72,816
„ rooms, used, &c. - -	184	172	172
„ sittings in ditto - -	6,215	5,679	5,800
Total number of places of worship - -	527	546	582
„ sittings provided - -	63,950	70,735	78,616

Of 410 churches and chapels, 359 have Sunday schools connected, at which 20,705 scholars attended, or more than half of the children in the Colony of the ages of from 5 to 15 years. The number of teachers is 2,840, 1,348 males and 1,492 females, or one teacher for every eight scholars nearly. The progress made during the last three years is as follows:—

—	1860.	1861.	1862.
Sunday schools - - - -	283	318	359
„ teachers - - - -	2,297	2,536	2,840
„ scholars - - - -	16,319	18,327	20,705

In 1862 many schoolhouses were enlarged, ministers' residences erected, and several handsome edifices constructed for public worship, showing marked activity in this respect amongst the leading denominations.

Railways.

The return showing the amount of traffic on the South Australian Railways—the whole length projected, 57 miles, being in operation,—and the receipts and expenditure connected therewith since the inauguration of the system in April 1856, affords a variety of particulars relating to the progress and working of this national undertaking. The result of the past two years operations for the whole line is shown in the following abstract:—

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	1861.	1862.	1861.	1862.
			£	£
REVENUE—				
Number of passengers	306,140	289,908	—	—
Passenger receipts	—	—	25,168	24,738
Tons of goods	187,762	197,247	—	—
Goods receipts	—	—	44,767	65,334
Other receipts	—	—	2,266	4,482
Total revenue	—	—	72,203	94,555
EXPENDITURE—				
Management	—	—	1,466	1,559
Locomotive department	—	—	17,218	19,273
Maintenance of line	—	—	18,085	16,762
Other working expenses	—	—	24,247	41,846
Total expenses	—	—	61,016	79,405

The item, under the head of expenditure, "other working expenses," includes large payments for the goods traffic agency, paid for out of the year's gross income, and included in the revenue side under "goods receipts;" but this method of stating the account was only adopted during the latter half of 1861, so that a comparison is impracticable. The inspector of railways, however, in a report laid before Parliament, has furnished the subjoined table, from which a comparison may be drawn, the income and expenses being reduced to one basis.

Years.	Miles open.	Revenue.	Expenditure.	Per-cent age of Expenditure.	Profits.
		£ s. d.	£ s. d.		£ s. d.
1856	7½	15,873 0 0	15,296 0 0	95·4	637 0 0
1857	24½	39,528 0 0	37,774 0 0	92·0	1,754 0 0
1858	32½	51,582 0 0	44,291 0 0	85·5	6,601 0 0
1859	32½	48,068 0 0	39,871 0 0	82·5	8,197 0 0
1860	45	55,588 0 0	43,636 0 0	78·5	11,952 0 0
1861	57	64,935 0 0	53,808 0 0	82·1	11,127 0 0
1862	57	67,483 0 0	54,400 0 0	80·7	13,083 0 0

Revenue and Expenditure.

During the past ten years the total revenue collected by the Government has amounted to the sum of 5,051,627*l.* 2*s.* 5*d.*; the ordinary revenue contributing 2,422,153*l.* 12*s.* 2*d.*, and the land fund 2,629,473*l.* 10*s.* 3*d.*; the total expenditure during the same period having amounted to 5,174,546*l.* 3*s.* 2*d.* Some misconception existing as to whether the capital of the Colony, as represented by the receipts accruing from the disposal and leasing of the waste lands, has been devoted intact to the purposes for which it was originally intended, viz., the prosecution of public works, and the promotion of immigration, it is desirable to show the expenditure for those objects, during that period, as follows:

	£	s.	d.
To defray the cost of public works	1,601,823	3	2
" Interest and redemption of loans for public works	414,219	8	0
" Immigration	760,359	1	2
 Total expenditure on public works and immigration	2,776,401	12	4
Amount of land fund receipts	2,629,473	10	3
 Deficiency of land fund	146,928	2	1

Showing, that the whole of the capital raised by the sale and occupation of the waste lands, and six per cent. of the ordinary income of the Colony besides, has been appropriated to the improvement of the public property, and to the introduction of labour, leaving the sum of 2,275,225*l.* 10*s.* 1*d.*, or less than 40*s.* per annum per head of the population, to meet all the ordinary cost of, and the extraordinary expenses incurred by the Government, and likewise to defray the charges of the establishments maintained for the management and disposal of Crown lands, the superintendence of public works, and the immigration departmental expenditure, amounting in the aggregate to a very large sum, but not included in the above statement. The land sales during the period have amounted to 2,236,081*l.* (deducting sums received for compensation on improvements, and repaid), or only four-fifths of the whole expenditure on public works and immigration.

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Great attention has always been paid in this Colony to the construction and maintenance of the principal lines of internal communication, as well as of means of reaching the sea-board, and facilities for the shipment of produce. During the past ten years the Central Board of Main Roads has expended 718,353*l.*, appropriated from the revenue; the extent of main lines formed and metalled to the close of 1862 was 236 miles, 202 miles having been completed since 1853. District roads have also been made and improved to a great extent by the local municipalities and councils, those bodies having expended, since 1855, the sum of 364,299*l.* on public works, the rates being supplemented from the general revenue for that purpose. In addition to these facilities, 13 jetties have been erected by the Government at outports, at a total cost of over 107,000*l.*, including expenditure on approaches, harbour improvements, moorings, &c.

Shipping.

The number of vessels entered at South Australian ports in 1862 was less than in 1861, but the aggregate tonnage was greater. The shipping cleared exceeded both in number and tonnage those of the previous year.

The total number of vessels arriving and departing, and the aggregate tonnage in the two years, was as follows:—

	1861.		1862.	
	No.	Tons.	No.	Tons.
ARRIVALS—				
Great Britain	49	25,255	49	29,744
British Possessions	334	70,858	308	66,779
Foreign States	18	7,083	17	8,703
Total	401	103,196	374	105,231
DEPARTURES—				
Great Britain	21	11,268	33	18,695
British Possessions	355	79,857	346	85,818
Foreign States	11	5,010	13	6,787
Total	387	96,135	392	111,290

Beyond the increase in the departures direct for Great Britain, there is little to note, further than that the number of vessels employed in the Victorian trade has decreased, whilst the shipping engaged in that with New South Wales have very much increased.

Telegraphs.

112 miles of wire were erected during this year, making 709 miles of line opened, and 1,026½ miles of line erected, at a total cost of 64,821*l.* Six additional stations were also opened during the year, making a total of 33 offices. 76,725 messages were transmitted, or only 16 more than in 1861, a decrease occurring on the short line connecting the port with the city; the receipts, however, amounted to 8,047*l.*, against 7,382*l.*, an increase of 665*l.* on the previous year. The neighbouring Colonies of New South Wales, Victoria, and Queensland are connected with South Australia by a chain of telegraph-wire, nearly 4,000 miles in extent, thereby affording those Colonies, and also Tasmania and New Zealand, the earliest and latest telegraphic communication at present possible with Europe and the East. Under the present ocean postal arrangements, South Australia, by providing a branch service to King George's Sound, at a cost to the Province of some 15,000*l.* per annum, places the adjoining Colonies in possession of European intelligence 48 hours before the mail steamer can reach Melbourne.

Agriculture and Live Stock.

My customary annual report on the statistics relating to agriculture and live stock, published in May last, affords full information on that subject; but as this volume has a larger circulation, it is desirable that the summary tables be appended to these statistics, and the following extracts from the report are reproduced, as exhibiting the principal points connected with the subject of general interest.

"The area of country and suburban land sold by the Crown, during the twelve months ended December 1862, amounted to 129,803 acres, making a total of 2,508,851 acres alienated to that date, or 18·6 acres per head of the population, an increase of not quite half an acre per head over 1861. The above forms but one-seventh of the total area of the proclaimed counties, 17,518,720 acres, out of which large areas of arable land may be selected, at present more profitably devoted to sheep pasturage. The enclosure of land has been extensive during the past season; 231,050 acres being added to the fenced land, making a present total of 2,105,877 acres. Enclosed pasture land is returned at 1,611,366 acres, an increase of 223,206 acres, or sixteen per cent. on the previous year. Land under

tillage in 1862-3 amounted to 494,511 acres, or 7,844 acres more than in the previous season. This is equal to 3·65 acres to each individual of the population. Twenty per cent. of the purchased land is under crop, against nineteen per cent. in 1861; it would appear, therefore, that the sales of Crown land do not more than keep pace with the requirements of agriculture, a large portion of the land purchased during the past few years having remained under pasture. No less than 320,160 acres, or sixty-five per cent. of the total area of land in cultivation in 1862-3, was under wheat, against 310,636 acres, or sixty-four per cent., in the previous season. The increase in the acreage under wheat is 9,524 acres, or only three per cent. The wheat harvest produced 3,841,824 bushels, against 3,410,756 bushels in the previous season; an increase of 431,068 bushels, or over 12½ per cent. Of this quantity 1,177,493 bushels were reaped off 98,688 acres in the county of Light, and 1,140,679 bushels were taken off 95,902 acres in the county of Adelaide, the two largest wheat-growing districts. The average yield per acre of wheat was 12 bushels, against 10 bushels 59 lbs. in the previous season. Whilst, however, the average for the Province gives 1 bushel and 1 lb. per acre more than last year, some of the districts in which this cereal is chiefly grown show a still larger yield, as in county Sturt the average yield is two bushels more than that of last season, and in county Adelaide 1½ bushels.

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AUSTRALIA.
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" An important feature in these returns is the great increase in the cultivation of the vine, and in the manufacture of wine. Although the latter will not for some years bear due proportion to the area of our vineyards and the number of vines planted, owing to the circumstance that only the old established vineyards produce anything like a fair yield per acre, sufficient is shown to prove that the wine of this province will become, at no distant date, one of our greatest staples. The quantity shipped last year was over 20,000 gallons, or sevenfold that of any previous year. It appears probable that the home and export demand for South Australian wines will for some time be far in excess of our power of production. The total acreage under vines is returned as 4,777 acres, against 3,918 acres last season, or an increase of 859 acres, or 25 per cent. A like increase of one-fourth appears in the number of vines, those in bearing now numbering 2,929,756, and 2,920,941 not in bearing; of the former, the increase during the year is 568,182, and of the latter 534,800 plants. A very large increase appears in the quantity of wine made, the returns showing 472,797 gallons, against 312,021 gallons; an excess of 160,776 gallons, or nearly 50 per cent. on the quantity produced in the preceding season. The collectors state that improved appliances are becoming more general, and greater attention paid to produce a superior quality of wine, the demand for which is, however, such as to prevent the retention of any large quantity in the cellars for a period sufficiently long to ensure its maturity. The number of wine presses is returned at 140, an increase of 11. Up to this date 43 licences for permission to use a still for the purpose of distilling the fermented juice of the grape have been issued. An increased quantity of grapes sold, or otherwise disposed of, except in wine making, is returned, the figures being 26,551 cwts. and 23,229 cwts. respectively. As stated last year, it is probable that a large portion of the grapes sold were purchased by winemakers possessed of better appliances for wine making than the small vine growers; still the shipment of this fruit to the neighbouring Colonies in the season is considerable.

" The number of horses is stated at 56,251, against 52,597 in the previous year; an increase of 3,654, chiefly in the counties, where horses are displacing bullocks on farms. The number of South Australian horses shipped to India and other ports during the past four years has exceeded 500 annually. Some difficulty is experienced in obtaining a correct return of the cattle in counties, owing to the apprehension that the information may be used in connexion with the granting of depasturage licences; for which, however, there is no ground, as the strictest secrecy is enjoined upon the collectors, and which I believe to be faithfully observed. The number stated to be depasturing in counties is 178,537, against 193,554; the total in the Province being 258,342, against 265,434 last year, a decrease of 7,092 head. A considerable increase appears in the number of sheep, which, together with the lambs, make a total of 3,431,000 against 3,038,356 last season, or an addition of 392,644 or 12½ per cent. This description of stock is now being placed on the more northern runs, 27,490 being returned as depasturing in the country north of Mount Serle. The number returned in the South-eastern District is 905,742, against 778,156 last year; a large proportion of these are depastured on purchased and enclosed land. In the Port Lincoln District, the number of sheep have increased from 310,745 to 353,895. The increase in the counties has been great, owing to the introduction of sheep upon farms, now much practised, and it is reported with the best results."

Conclusion.

The principal statistical facts relating to the progress of the Colony since its foundation are comprised in the last table of this volume; in itself affording a striking view of the general and substantial advance made by this community during the short space of 26 years, and the foregoing brief remarks, confined to the year under review, and its immediate predecessors, will confirm the opinion that the present sound position of South Australia is one calling for congratulation, and that the future prosperity of this Province promises to be as great as its past development has been rapid.

I have, &c.
(Signed) J. BOOTHBY,
Government Statist.

WESTERN
AUSTRALIA.

No. 20.

WESTERN AUSTRALIA.

No. 20.

COPY of a DESPATCH from Governor HAMPTON to his Grace the Duke of NEWCASTLE, K.G.

(No. 27.)
MY LORD DUKE,Government House, Perth,
February 20, 1863.

I HAVE the honour to forward the Blue Book for the year 1862, with such a Report on the contents, in the accompanying letter from the Colonial Secretary, as to make it unnecessary for me to offer any remarks on the greater part of the subject therein noticed.

2. The statistical returns now transmitted show that the total revenue for the year 1862 amounted to 69,406*l.*, including 2,069*l.* obtained on loan from the Western Australian Bank, and that the actual revenue was, therefore, only 67,337*l.*, the expenditure being 72,267*l.*, and the deficiency 4,930*l.*

3. The deficiency has arisen from adequate provision not having been made by my predecessor to meet the liabilities incurred by him.

4. It is satisfactory to observe that there has been a steady increase in 1862 under the important heads of customs and land revenue, and that, after deducting the bank loan, the revenue for that year exceeds that for 1861 by 6*l.*, notwithstanding a decrease of 3,185*l.* in the amount received on account of land sales during the year 1862, as compared with 1861.

5. The increase in the amount of imports and exports is encouraging, and is likely to be rendered still more so by the introduction of English capital for carrying on mining operations, and by the arrangements in progress for opening out new country.

6. The small amounts of money and labour at my disposal for roads, bridges, and public works in 1862 have been expended principally on the roads near Perth, the works at the new Government House, and in repairing the damages caused by a disastrous flood.

7. I concur generally with the opinions expressed in the Colonial Secretary's letter, but I think he is over sanguine with regard to the extension of the convict system in Western Australia, for although many more convicts could be received for employment on public works, only a limited number can be absorbed when they become eligible for discharge from such works, and extreme caution will be required to prevent the supply of ticket-of-leave men being in excess of the demand.

8. During the greater part of the year 1862 considerable monetary depression has prevailed throughout the Colony, produced chiefly by over speculation, losses caused by an unprecedented flood, and the diminution of a previously lavish Government expenditure. I am glad, however, to be able to report that a recent general improvement in the state of public and private affairs affords good reason to hope that both will soon be established on a sound basis.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

I have, &c.
(Signed) J. S. HAMPTON,
Governor.

Encl. in No. 20.

Enclosure in No. 20.

SIR,
Colonial Secretary's Office, Perth, February 16, 1863.
HEREWITH I have the honour to enclose, for transmission to Her Majesty's Secretary of State for the Colonies, the Blue Book for the year 1862, which has been compiled with much care, and which, I believe, with few exceptions, fairly represents the state of the Colony at the present time.

Excess of Expenditure.

1. It is again my duty to record an excess of expenditure over revenue, and a comparison between the years 1860, 1861, and 1862 appears to show a startling alteration in the administration of the Colonial finances.

Comparison of Revenue and Expenditure.

2. In 1860, with (in round numbers) a revenue of 70,000*l.*, there was only an expenditure of 62,000*l.*; in 1861, with a revenue of only 67,000*l.*, there was an expenditure of 81,000*l.*; and in 1862 the revenue was 69,406*l.*, and the expenditure 72,267*l.* During the three years there has been an aggregate expenditure of 8,861*l.* in excess of revenue received.

*Explanation of Excess.*WESTERN
AUSTRALIA

3. On your Excellency's arrival in the Colony you entered so fully into the state of the finances that it is unnecessary for me to state the causes of this increased expenditure; it will simply suffice to say that the funds closely hoarded in 1860 were expended with a lavish hand in 1861, in which latter year, as no one better knows than your Excellency, contracts for public works were entered into which absorbed the entire funds for 1862, and a moiety of those for the current year, thus limiting the power hitherto in your hands to completing the works authorized by your predecessor.

Present Financial State of the Colony.

4. It is a real gratification to me to state that the present judicious administration of the public finances, coupled with a revenue steadily progressing under every sound and material head, render it in every way probable that at the close of the current year the Colony will stand untrammelled by a single debt, with a revenue fully equal to its moderate wants, and with fair means at disposal for progress in those public works for which there is so great a demand.

Increase and Decrease.

5. The decrease in the amount received from the sale of land is simply, as compared with the two preceding years, when new land regulations were promulgated, and when large purchases were made by settlers in all parts of the Colony, to secure the land in the immediate neighbourhood of their homesteads, which would otherwise have been thrown open to general competition. This decrease is in a great measure balanced by an increase in receipts from land under lease, which is daily extending. The increased amount of expenditure (2,451*l.*) in the establishments is accounted for by additions to the judicial, police, and educational establishments, and by the payment of 500*l.* of the Governor's salary, heretofore drawn in England; but this and other trifling increases are more than met by decreased expenditure on public works and other services, exclusive of establishments, in all of which strict supervision and economy were used.

Imperial Convict Expenditure.

6. It is to me a matter of regret as well as surprise that the Imperial convict expenditure remains in amount so small and stationary. With means to absorb a large number of convicts, with a fair field for their reformation and advancement in life, with the example of many who have become not only respectable but independent members of society, and with the outcry in England as to where convicts are to be sent, it is difficult to understand why the supply is not more abundant. Employment there is in ample quantity, temptation to relapse into crime is marvellously small, escape is next to an impossibility, and with a desire on the part of the colonists to welcome them, and a still greater desire in England to send them away, I cannot but think it a subject of regret that the powers of the Colony have never been tested as to the numbers that can be received. I believe those in the Colony have little idea of its capabilities as regards absorption of labour, not alone in the public service, but in works of private energy and enterprise.

Public Works.

7. I am unable to note the commencement of any public works of importance during 1862. The funds for this service have been employed in completing contracts entered into in 1861; and although the estimated amount has been exceeded, there is a decrease of above 10,000*l.* on the expenditure of 1861. The new Government House is approaching completion, and it is hoped will be occupied before the close of the present year.

Population.

8. In noting an addition of 1,555 persons to the population, it is satisfactory to observe, that while this has been in some measure attributable to a rather larger arrival of convicts during the year, there has been a greater number of births and marriages than in any preceding year, and a less number of deaths than in 1861 by 29. The deaths during the year have been only at the rate of 1·3 per cent., while the births have averaged 3·6 per cent. of the population.

Education.

9. There is little to note under this head beyond a steady progress in the establishment of new schools in rural districts, and a more general desire on the part of persons in the bush to acquire some means of education for their families. The very scattered and outlying population consequent on the scarcity of good land makes it difficult to induce competent masters to proceed far into the interior, and the cost of public education must be an increasing amount from year to year, as the population extends from place to place.

Imports and Exports.

10. With an increasing population it is only natural that the value of imports should increase in proportion, but it would appear that an over importation of articles must have taken place in 1860, for the value of the imports in that year amounted to within 3,000*l.* of those in 1862, while in 1861 there is a deficiency of 25,000*l.* There is a steady increase in all articles of use and luxury, but there is not that decrease which it is desirable to see in those articles that can and ought to be manufactured and supplied in the Colony. On the other hand, it is very satisfactory to observe the increased value of the exports on every article of colonial produce, with the exception of sandal wood,

on which there is a slight decrease, and I do not think I am too sanguine in hoping that **this state** things is daily assuming a better aspect, and that a very few years will place the **Colony** in the healthy position in which the exports equal or exceed the imports.

Shipping.

11. A glance at the shipping returns would seem to prove that at the Port of Albany **there was** a greater amount of commerce than at any other port in the Colony; but the large amount of tonnage at that port is caused by the arrival and departures of the Mail Steamers, and of the vessels bringing coal for their service.

Agriculture.

12. I have been particular in impressing upon the resident magistrates the necessity of sending correct returns of the produce and stock in their respective districts; and I have more faith in the returns generally rendered for 1862 than in those of preceding years. These returns show in the aggregate an increased acreage under cultivation, and an increased number of stock of all descriptions. The great extent of land under tillage and pastoral lease warrants belief in these returns; and notwithstanding the bad lambing season in 1860, the amount of wool exported exceeds that of previous years.

For the first time in the annals of the Colony I am able to insert four acres of cotton under crop, and it may reasonably be anticipated that in the Blue Book of 1863 cotton will appear in such a quantity as to warrant its insertion as an "export." That it may be cultivated with profit in more than one district of the Colony I firmly believe, and I hold that the community at large are indebted to the one or two enterprising individuals who are willing to brave the laughter of their fellow colonists, and persevere in its cultivation.

Cotton seed, as you are aware, has been distributed throughout the Colony, but it has been difficult to persuade settlers to plant more than a few seeds by way of experiment, and when they have succeeded with these they appear to have no desire to attempt its growth on a larger scale, but adhere to the every day crops of wheat and barley, and grumble at the return received therefrom.

Mines.

13. It is becoming to be matter of general belief that the future wealth of Western Australia lies in its mineral resources, which are slowly but gradually developing themselves, and are beginning to attract the attention of capitalists from England and the neighbouring colonies. All those whose opinions are worthy of belief speak in very high terms of the mineral indications in the Victoria district, and allude to the district generally as surpassing any part of the known world in the richness of its copper ore. The proximity of the mineral country to the port of embarkation is a great inducement to capitalists, and if a sufficient supply of convicts is sent to keep the price of labour below that in the Eastern Colonies there can be no doubt that enterprise and capital will meet abundant reward, and the vexed question of what is to be done with English convicts be settled for many years to come.

Land.

14. The sale of land in the Colony in proportion to the number of its inhabitants exceeds that in any Colony I am acquainted with. 12,000 acres were sold in 1862, a larger amount in the two preceding years, and with a population of 17,000 persons, the majority of whom hold little or no land; nearly one and a half million acres of land have been alienated in fee, and seven millions of acres are held under lease.

Crime.

15. In a Convict Colony the criminal statistics are generally closely examined, and at a first glance it must be confessed the amount of crime during the year 1862 in proportion to numbers is startling. A closer scrutiny is, however, more cheering.

With a population of some 8,000 adult males, where the bond class, including expirees, outnumber the free, there have been only 26 cases of crime during 1862 of such importance as to be tried before the Supreme Court. Of these cases 22 are of the convict class, and the majority of the crimes for which they were tried were not of a very serious nature. There has been no case of murder during the year. A reference to the return of summary convictions shows a total of 3,513 convictions during the year, one half of the number for drunkenness, and more than one moiety of the remaining half for offences not of a criminal nature.

Of the whole number, 2,473 are confessedly convictions in the convict class, and out of the 1,040 returned as convictions of free men, there are many expirees and conditional-pardon holders, who assert themselves to be (and are truly) free men, and of whom the police do not possess sufficient information to give their exact status. Among this number must also be included all convictions of the Aborigines, which in 1862 were very heavy. I hope in future returns to give the convictions of the native population in a separate form.

With this explanation there would appear to be no reason for alarm at the amount of crime, and it is by no means going beyond the truth to state that life and property are as safe in Western Australia as in any portion of Her Majesty's dominions, or that a person exercising common courtesy of demeanour may travel from one end of the Colony to the other, and meet from the convict population every possible civility and kindness, and not hear any language of an obscene or abusive nature. I would not wish it to be supposed such language is not used, but that a feeling exists that it will not be publicly tolerated, and it is for such reasons kept entirely in the background.

*Concluding Remarks.*WESTERN
AUSTRALIA.

16. In concluding my Annual Report I can but remark, that notwithstanding the many drawbacks to the speedy prosperity of the Colony, which can never hope to rival its more fortunate sisters to the eastward of the Australian Continent, there are many points of more hopeful aspect than could have been foreseen but a very few years since. Its progress mainly depends on the extension of the convict system, and I can but again repeat my confident opinion that it is capable of very great extension, and my hope that its powers may be fairly tried.

At the present time all seems working to this end, and there can be no better period to test its working than under the administration of your Excellency, whose great experience and judgment in convict management on a much larger scale elsewhere warrant the certainty that a good account will be rendered of any number of men that may be sent to the Colony.

From the date of your arrival in the Colony to the present time your hands have been tied for want of means and labour; and I cannot conclude my report better than by expressing an earnest hope that both may ere long be available, and that your Excellency may have the gratification of looking back ere the close of your administration on very many works that may have been undertaken during your residence in the Colony, and which may have tended to its progress and prosperity.

I have, &c.

(Signed) FRED. P. BARLEE.

NEW ZEALAND.

No. 21.

REPORT of the REGISTRAR GENERAL for 1862.

NEW
ZEALAND.

No. 21.

Registrar General's Office,
Auckland, December 19, 1863.

Sir,

I HAVE now the honour to present the Statistical Tables for 1862, completed in the form in which the preceding six volumes of "Statistics of New Zealand" (commencing from the year 1853) have been issued. As you are aware, a considerable proportion of the information contained in them is already in the hands of the members of the Colonial Legislature, by means of a number of tables which (it having been found impracticable from various causes, of which circumstances leading to unusual delay in the printing were the chief, to have the entire volume ready before the opening of the late session,) I prepared with a view to the convenience of immediate reference during the proceedings of the General Assembly, and which were laid before both Houses at an early period of the session by command of his Excellency. The tables so issued by anticipation are of course included with those which could not then be supplied in the present volume, which is designed, like its predecessors, for more general circulation and more permanent preservation.

In accordance with the plan adopted in previous volumes, I proceed to give here in a very condensed form (though with some explanatory additions) the substance of the information embodied in such of the following tables as relate to matters of most general interest. References in the margin will direct those who are desirous of making themselves acquainted with the details on any special branch of the statistics to the tables in which the required particulars will be found.

Such an estimate of the population of the Colony as it is possible to arrive at in the years in which a census is not taken is given in Table I.* It has been constructed in the way usually regarded as affording tolerably close approximate results; viz., adding to the previously ascertained population the excess of immigration over emigration, and the excess of births over deaths during the year. According to this estimate, the population of New Zealand on the 31st December 1862 (exclusive of the military and their families) was 125,812; viz., 79,680 males, and 46,132 females, being an increase amounting to 23,791; viz., 15,618 males, and 8,173 females. Centesimally, this increase was 24.37 per cent. on males, 21.53 per cent. on females, and 23.31 per cent. on the whole population.

The progress of the population during the respective quarters of the year is compactly exhibited in the following summary:—

—	Males.	Females.	Total.
FIRST QUARTER.			
Excess of births over deaths during first quarter -	275	313	588
Increase from excess of immigration over emigration during first quarter -	3,019	1,218	4,237
Increase during first quarter -	3,294	1,531	4,825

* None of the tables attached to the Registrar General's Report are printed.

	Males.	Females.	Total.
SECOND QUARTER.			
Excess of births over deaths during second quarter	274	315	589
Increase (in number of females) from excess of immigration over emigration during second quarter	—	1,091	1,091
	3,568	2,937	6,505
Deduct decrease (in number of males) from excess of emigration over immigration during second quarter*	1,998	—	1,998
Net increase during six months	1,570	2,937	4,507
THIRD QUARTER.			
Excess of births over deaths during third quarter	371	431	802
Increase from excess of immigration over emigration during third quarter	6,906	1,456	8,362
Increase during nine months	8,847	4,824	13,671
FOURTH QUARTER.			
Excess of births over deaths during fourth quarter	388	433	821
Increase from excess of immigration over emigration during fourth quarter	6,883	2,916	9,299
Total increase during 1862	15,618	8,173	23,791
Population as enumerated in the Census of December 1861, (adding 3,000 males, the estimated number of gold miners in Otago, who could not be included in the Census Returns)	64,062	37,959	102,021
Estimated total population on the 31st December 1862	79,680	46,132	125,812

The proportions in which the total increase in the population of the colony is distributed amongst the several provinces cannot be ascertained with accuracy, for reasons which are stated in a note to Table No. I., being chiefly (1) the fact that the numbers of arrivals and departures between ports in the Colony, officially reported by the emigration officers, do not agree, (the former very considerably exceeding the latter); and (2) the uncertainty as to the amount of over-land migration from one province to another. But as it is desirable to furnish some indication of the probable population of each province at the close of 1862, I have made up an estimate based on a calculation of the migration between the ports in the respective provinces; which, however, assumes to be no more than an approximation to the actual numbers, and indeed in the aggregate necessarily exceeds the estimated total for the whole Colony by the excess of arrivals over departures in the official returns. It is to be remarked however, that Southland is to be excepted from this general statement, a census of that Province taken by the Provincial Government in December 1862 furnishing reliable numbers, of which, of course, I avail myself.†

I subjoin a table which shows the population of the Provinces in December 1862, as thus calculated, in comparison with the population ascertained by the Census of New Zealand in December 1861.

Province.	Population in December 1861 when the last Census of the Colony was taken.			Approximately estimated Population in December 1862.			Numerical Increase or Decrease.			Centesimal Increase or Decrease.	
	Males.	Fem.	Total.	Males.	Fem.	Total.	Males.	Fem.	Total.	Males.	Fem.
Auckland	13,494	10,926	24,420	15,155	12,489	27,644	1,661	1,563	3,224	12·30	14·30
Taranaki	1,169	875	2,044	1,226	985	2,211	57	110	167	4·87	12·57
Wellington	6,626	5,940	12,566	7,444	6,199	13,643	818	259	1,077	12·34	4·36
Hawke's Bay	1,667	944	2,611	1,609	999	2,608	58†	55	3‡	3·41‡	5·82
Nelson	5,337	4,615	9,952	6,146	4,945	11,091	809	330	1,139	15·15	7·15
Marlborough	1,503	796	2,299	1,537	849	2,386	34	53	87	2·26	6·65
Canterbury	8,939	7,101	16,040	11,651	8,781	20,432	2,712	1,680	4,392	30·33	23·65
Otago	24,161	6,002	30,163	35,419	10,169	45,588	11,258	4,167	15,425	46·59	69·42
Southland	1,107	713	1,820	2,187	1,268	3,455	1,080	555	1,635	97·56	77·84

* The Dunedin Return for the June Quarter of 1862 shows an Emigration of 3,612 Males to the Australian Colonies against an Immigration of 1,460 Males from those Colonies.

† An abstract of the principal results of the Census of Southland in December 1862 (compiled from the returns published in the Gazette of the province), will be found in Appendix A. and Appendix B. of this volume.

‡ Decrease.

According to this calculation, the population of the Northern and the Middle Islands respectively would be, Northern Island, (including the Provinces of Auckland, Taranaki, Wellington, and Hawke's Bay,) males, 25,434; females, 20,672; total, 46,106: Middle Island, (including the Provinces of Nelson, Marlborough, Canterbury, Otago, and Southland,) males, 56,940; females, 26,012; total, 82,952.

NEW
ZEALAND.

The immigration (over seas) to New Zealand in 1862 amounted to 34,290 souls; viz., males, 25,072 adults, and 1,933 children; females, 5,571 adults, and 1,714 children.

Immigration
and Emigration.

The emigration (over seas) from the Colony during the year amounted to 13,299 souls; viz., males, 12,525 adults, and 170 children; females, 478 adults, and 126 children.

The net excess of immigration over emigration is thus shown to have been 20,991 souls, which was distributed amongst the Provinces in the following proportions: Otago, 14,058; Auckland, 3,277; Canterbury, 2,768; Southland, 517; Nelson, 271; Wellington, 99; and Hawke's Bay, 3.*

A classification of the whole immigration and emigration of the year, according to the countries from which the Immigrants arrived and to which the Emigrants went, shows the following results:—

Immigration.				Emigration.					
—	Males.	Females.	Total.	—	Males.	Females.	Total.		
From the United Kingdom	-	5,318	3,429	8,747	To the United Kingdom	-	238	133	371
„ Australian Colonies	-	21,503	3,811	25,314	„ Australian Colonies	-	12,127	447	12,574
„ Other British Ports	-	95	34	129	„ Other British Ports	-	267	11	278
„ Foreign States	-	89	11	100	„ Foreign States	-	63	13	76

It thus appears that the excess of immigration over emigration, viewed in relation to countries, was:—United Kingdom, 8,376; Australian Colonies, 12,740; Foreign States, 24. In the division relating to other British ports, the emigration exceeded the immigration by 149.

The arrivals and departures between the ports of the Colony are shown in a separate table, which is a correct compilation from the returns forwarded by the emigration officers, but (for reasons referred to above, and stated in notes to the table,) the numbers can be regarded as affording, at best, only approximately reliable information.

The births registered in New Zealand in 1862 amounted to 4,064; viz., 2,090 males, and 1,974 females, being an increase of 623 (viz., 338 males, and 285 females,) over the number in 1861.

Births, Deaths,
and Marriages.

The deaths registered in 1862 were 1,231, viz., 773 males, and 458 females. The number in 1861 was 1,109 (viz., 632 males, and 477 females). Thus it appears that, while the total of deaths showed an increase in 1862 as compared with 1861 amounting to 122, the number of deaths of females in 1862 was actually 19 less than in 1861, the increase being on the deaths of males, which were 141 more in 1862 than in 1861. Of the total in 1862, 497 (viz., 266 males and 231 females,) were children under five years of age. 145 of the deaths (133 males and 12 females) were not occasioned by disease, but by drowning and other external causes.

The excess of births over deaths in 1862 was 2,833; viz., 1,317 males, and 1,516 females. The total excess of births over deaths in eight years included in these tables was 14,690; viz., 7,046 males, and 7,644 females.

The marriages solemnized in New Zealand in 1862 numbered 1,091, being an increase of 213 as compared with 1861. The numbers for the respective Provinces in each year since "The Marriage Act 1854" came into operation, and also the numbers solemnized in each year by officiating ministers of the several religious bodies, and by registrars, will be found in the tables referred to in the margin.

The tables relating to trade and interchange (as well as the revenue tables) have, as in preceding years, been prepared in the office of the Hon. the Colonial Treasurer and Commissioner of Customs, under the supervision of Mr. R. F. Porter. They include several new tables.

Trade.
Interchange.

Tables VIII. to XIII. inclusive relate to shipping. The first two show the numbers, shipping tonnage, and crews of vessels entered inwards and cleared outwards at the several ports

* Making a total of 20,993, from which is to be deducted two—excess of emigration over immigration at Taranaki.

of the Colony during the year, exhibiting a total inwards of 813 vessels of 301,395 tonnage, and a total outwards of 783 vessels, with 288,647 tonnage, being an increase, as compared with 1861, of 217 vessels, with 103,379 tonnage inwards; and of 237 vessels, with 83,297 tonnage outwards.

The next two (which are new tables) show the particulars of vessels, tonnage, and crews, classified with relation to the "Countries whence arrived" and "Countries for which cleared;" and the following two (also new) show the nationality of the vessels, inwards and outwards. From the latter it appears that of the total of 813 vessels inwards 187 were British, with 126,044 tonnage; 496 Colonial, with 109,350 tonnage; 111 American, with 58,304 tonnage; 5 French, with 2,287 tonnage; 12 German, with 3,889 tonnage; and 2 Duteh, with 1,491 tonnage.

Although they occupy a different place in the numerical arrangement, it may be convenient here to refer to the tables relating to registered vessels belonging to ports in New Zealand. The total number in December 1862 was 287 vessels of 10,825 tonnage, against 252 vessels of 9,144 tonnage in 1861. Of the total, 206 vessels with 6,863 tonnage belonged to the port of Auckland.

In the report prefixed to the statistics of 1861 I invited attention to the very encouraging increase in the imports of the Colony during that year, amounting to 945,478*l.*, the total value of imports in 1861 having been 2,493,811*l.* against 1,548,333*l.* in 1860. A much more remarkable advance is, however, presented by the figures for 1862, in which year the total value of imports reached the sum of 4,626,082*l.*, being an increase, as compared with 1861, of no less than 2,132,271*l.* or 85·50 per cent. Taking the imports of the Provinces separately, the centesimal increase in 1862 was, Auckland 37·99; Taranaki, 19·79; Wellington, 36·51; Hawke's Bay, 65·20; Nelson, 31·63; Marlborough, 76·80; Canterbury, 77·10; and Otago (including Southland, which, not having been established as a Province until April 1861, does not appear independently in the summaries until 1862), 151·63. It is thus evident that, although Otago, with its rich gold fields, stands foremost here as in various other branches of the statistical returns, yet all the other Provinces participated more or less largely in the general prosperity indicated by the total increase.

The total value of exports from New Zealand in 1862 was 2,422,734*l.*, against 1,370,247*l.* in 1861, being an increase of 76·81 per cent. The increase was, no doubt, as may be supposed, occasioned to a large extent by the productiveness of the Otago Gold Fields, giving to that Province a centesimal increase of 107·11 on the previous year. Wool, however, (which is the other great export of the Colony financially viewed,) also exhibited a striking increase, the total value of the wool exported in 1862 having been 674,226*l.*, against 523,728*l.* in 1861, being a centesimal increase of 28·73 per cent. on the export of 1862 as compared with that of 1861, which was itself an increase on that of 1860 amounting to 17·85 per cent.

Details of
Imports and
Exports. The details of imports and exports at the several ports will be found in Tables xviii. and xix.; and the following tables (xx. to xxviii.) contain comparative summaries, showing, in a compendious form, not only for the immediately preceding year (1861), but also for the previous years since 1853, the totals of the principal articles of export. Separate tables are devoted to gold, grain, kauri gum (an export of the Province of Auckland exclusively), oil, potatoes, timber, and wool respectively. To those who desire to trace in particular branches the progressive advance of New Zealand, these tables will, I trust, furnish interesting information in a convenient shape; while for those who may be content to look only at general totals for the Colony and its several Provinces, Tables xvi. and xvii. furnish views of the total value of imports and exports for the successive years from 1853 to 1862 inclusive. The range of advance will be seen to have been thus:—

			£
Total value of imports in 1853	-	-	597,827
" " 1862	-	-	4,626,082
Total value of exports in 1853	-	-	303,282
" " 1862	-	-	2,422,734

Revenue. The tables relating to revenue include a considerable variety of information in addition to the particulars embodied in the former volumes of statistics, and add their conclusive testimony to other evidences of the rapid progress of the Colony.

The customs revenue, which in 1861 exceeded that for 1860 by 71,695*l.*, shows for 1862 an advance, as compared with 1861, amounting to 138,573*l.*, or 53·12 per cent., the respective totals being 399,436*l.* in 1862, against 260,863*l.* in 1861.

The total ordinary revenue in 1862 was 508,332*l.*, against 324,146*l.* in 1861. The territorial revenue in 1862 was 606,830, against 347,354*l.* in 1861. The total revenue

in 1862 was 1,115,162, against 671,500*l.* in 1861. The increase in 1862, centesimally calculated, shows 56·82 on ordinary revenue, 74·70 on territorial revenue, and 66·07 on the total revenue in this single year. Table xxxi. will enable the reader to mark the advance to this point during the successive years since 1853, when the general total of the Colonial Revenue was only 149,820*l.*

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The following table presents a comparative view of the revenue of the several Provinces in 1861 and 1862, showing the centesimal increase or decrease for each in the latter year:—

REVENUE—1861-62.

Provinces.	Ordinary Revenue.			Territorial Revenue.			Total Ordinary and Territorial.		Centesimal Increase or Decrease,
	1861.	1862.	Centesimal Increase or Decrease.	1861.	1862.	Centesimal Increase or Decrease.	1861.	1862.	
Auckland	90,836	103,518	13·96	£ 6,856	£ 7,416	8·16	£ 97,692	£ 110,934	13·55
Taranaki	11,296	11,167	- 1·14	—	545	500·45	11,296	11,712	3·68
Wellington	43,280	48,570	12·22	£ 30,085	£ 20,264	- 32·64	£ 73,365	£ 68,834	- 6·17
Hawke's Bay	10,784	11,541	7·01	£ 38,055	£ 28,814	- 24·28	£ 48,839	£ 40,355	- 17·37
Nelson	27,232	31,257	14·78	£ 29,305	£ 65,877	12·47	£ 56,537	£ 97,134	71·80
Marlborough	2,801	4,203	50·05	£ 15,804	£ 17,010	7·63	£ 18,605	£ 21,213	14·01
Canterbury	47,014	71,058	51·14	£ 98,434	£ 223,514	127·06	£ 145,448	£ 294,572	102·52
Otago (including Southland)	90,877	226,846	149·61	£ 128,815	£ 243,390	88·94	£ 219,692	£ 470,236	114·04
Chatham and Stewart's Island	26	172	561·53	—	—	—	26	172	561·53
	324,146	508,332	56·82	£ 347,354	£ 606,830	74·70	£ 671,500	£ 1,115,162	66·07

The income and expenditure of the General and Provincial Governments during the year ended December 31st, 1862, are shown in a (new) table, the preparation of which has been a work of considerable labour in the Treasury Department.

Income and Expenditure.

The two following tables show, in detail, the revenue and the expenditure of the several Provinces in 1862. There also are newly constructed Tables.

The next table shows, in detail, the receipts and disbursements by the receivers of land revenue in the several Provinces during the year ended December 31st, 1862.

An altogether new table shows the funded debt of the General and Provincial Governments on the 31st December 1862, specifying the authority under which the liabilities were respectively incurred; the amounts authorized to be borrowed; the amount of debentures in circulation; the rate of interest; the rate of sinking fund; when the debentures are redeemable; the unexpended balance of amount raised; the amount of sinking fund accrued, and what amount and in what manner invested. It will, of course, be understood in examining this table that it does not profess to give information later than the date specified in its heading, viz., the 31st of December 1862. It should also be understood that the table includes only those Loan Acts under the operation of which money had actually been raised previous to the end of 1862.

"An Act for the Incorporation and Regulation of Joint Stock Companies and other "Associations" having been passed by the General Assembly in 1860, a table is introduced containing the names and other particulars relating to the companies registered under this Act, from the commencement of its operation to the end of 1862.

Joint Stock Companies.

The series of tables showing the land sales in the Colony from the 1st April 1856 (the earliest date to which the information could be carried with accuracy), which was commenced in the Statistical Volume for 1861, is continued in the present volume. The first table (No. xxxix.) shows in detail the particulars relating to the waste lands sold or otherwise disposed of, in the several Provinces during the year 1862; the second (No. xl.) contains a summary which shows the totals for each province during the entire period from April 1856 to December 1862; and the third (No. xli.), classifying the information with respect to time rather than to locality, shows in a similarly compendious summary the totals for the whole Colony during each year of that period.

Land Sales.

A table in the usual form shows the average prices of provisions and live stock in the several Provinces in 1862.

Prices of Provisions.

A series of seven tables affords a variety of information relating to the Post Office in 1862, including the numbers of letters and newspapers respectively received at, and despatched from, the several chief post offices in the Colony, and the number of letters despatched to places out of the Colony, specifying the offices from which they were

Post Office.

NEW
ZEALAND.

Postal
Revenue.

Money Orders.

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Savings Banks.

Education.

despatched, and the places of their destination. This latter branch of information admits of a comparison with the previous year (which alterations in the form of the returns prevent being made accurately in some other particulars), and the result is strikingly indicative of the increase of correspondence by which the year has been marked. The total of the letters despatched to places out of the Colony in 1861 was 257,374, and in 1862, 421,855.

A further view of progress is afforded by a comparative table of the postal revenue of the several Provinces of New Zealand, for the years 1858 to 1862 inclusive, distinguishing the amounts for each quarter of those years. It will be seen that the total advanced from 6,024*l.* in 1858 to 14,108*l.* in 1861, while an unprecedented advance took place in 1862, in which year the postal revenue reached the sum of 22,710*l.*, being an increase of 60·97 per cent. on the preceding year.

As the money-order system did not come into operation in New Zealand until the 1st August 1862, the information in relation to it given in this volume only extends over a period of five months, viz., to December 31st in that year. Up to that date the total number of orders issued in the Colony was 1,410, viz., 1,059 on Great Britain; 349 on Victoria; and 2 on places in New Zealand. The respective amounts were:—Orders on Great Britain, 4,716*l.* 8*s.* 1*d.*; on Victoria, 1,859*l.* 9*s.*; and on places in New Zealand, 15*l.*; total 6,590*l.* 17*s.* 1*d.* The orders paid in the Colony were 160; viz., issued in Great Britain, 102; in Victoria, 56; in New Zealand, 2. The amounts in these cases were, issued in Great Britain, 515*l.* 11*s.* 8*d.*; in Victoria, 294*l.* 18*s.*; in New Zealand, 15*l.*; total, 824*l.* 12*s.* 8*d.*

The legal and criminal statistics occupy a series of 11 tables, which have been prepared substantially in accordance with the plan pursued in previous years, and do not present any features calling for special notice here. They have been compiled from returns including the Supreme Court, the District Courts, and the Resident Magistrates' Courts, distinguishing in the latter class the cases, whether civil or criminal, in which Europeans or Maories, or both, were concerned. The last table in the series (No. LX.) shows the numbers of prisoners, male and female, committed to the gaols in New Zealand during 1862, specifying the causes of imprisonment; in what country the prisoners were born; to what class they belonged; and the degree of their education. The total number committed was 2,692; viz., 2,368 males and 324 females.

The table relating to savings banks shows the number of those valuable institutions in New Zealand in 1862; the dates of their establishment; the numbers of depositors; and the amounts deposited and withdrawn during the year; distinguishing the European and Maori depositors.

In the years in which the Census is taken a large amount of information on the subject of education is, of course, collected, although (as I had occasion to remark in my report on the Census of 1861, as well as in that on the Census of 1858) "the columns for school attendance were those which in many instances were least satisfactorily filled up." An effort was made to procure for the present volume, not merely a continuation but an enlargement, with all attainable accuracy, of the information previously acquired. With this view, a series of questions respecting public schools were prepared, and forwarded to the several Provinces. The result, however, has I regret to say, been only very partially successful. Different Provinces have their different systems, their different modes of keeping their records, and their different periods of making up their annual accounts; and delay, difficulty, and ultimate defectiveness characterised many of the returns from the particular localities in which public schools were established. The returns from the Province of Nelson have been received only within a few days, after the middle of this month of December, and when the last pages of these statistics were in the printer's hands, and it would not have been possible to go minutely into new returns without further delaying the issue of this volume. From Canterbury no returns have been received in the form requested; but by the same mail a Provincial Gazette of the 1st instant has come to hand, containing an elaborate report of an Education Commission appointed to inquire into the subject in that Province. I have introduced into Table LXII. as much as could immediately be made available of the information from those Provinces; but it is right to add, that the Canterbury Commissioners, while they express their belief that such statistics as they have embodied in their report are "substantially correct," yet frankly state that "The returns furnished from the various quarters to which they have applied are so inaccurate, incomplete, and in many cases contradictory, as to prevent their arriving at more than general conclusions."

With respect to returns which were received in sufficient time for detailed examination, considerable labour has been devoted in this office to the attempt to compile the par-

ticulars so as to tabulate the results in clear statistical form. For the present, however, I find that no more complete or satisfactory summary than that in Table LXII. can be produced consistently with a due regard to correctness. Even the figures there given are to be received as only the best approximations that could be made, except in the number of public schools in the several Provinces, which may be accepted as reliable, and which were:—In Auckland, 55; Wellington, 13; Hawke's Bay, 2; Nelson, 23; Marlborough, 5; Canterbury, 37; Otago, 21; and Southland, 2.

The gratifying fact, however, is certain, notwithstanding the incompleteness of the statistical details just now available, that the magnitude of the interests involved in the education of the rising generation is not overlooked or lightly regarded in New Zealand. If to the public schools known to exist were added the numerous private schools, many of them of a high character, in successful operation in various parts of the Colony, and the amount of home-education in progress, there can be no doubt that a total would be arrived at, which, although it would not fully satisfy, yet could not fail to encourage and cheer those who see in the intellectual and moral training of the young an inestimable and indispensable element in the true progress and prosperity of the community. I trust, also, that by the co-operation of the boards of education and others whose sympathy in the object may be anticipated, future endeavours to demonstrate statistically what is really being effected in this great undertaking will be more successful than perhaps could have reasonably been expected in a first attempt to collect detailed and diversified particulars.

The numbers of the population in the Province of Southland, ascertained by a census taken by the Provincial Government in December 1862, have been, as already stated, introduced in the general estimate of the population; but further information relating to the people, their habitations, their condition, and the cultivations and live stock owned by them, have been compiled from the census returns, and are given in the appendix to this volume. The results strikingly exhibit the rapid progress of this young Province; showing an increase in December 1862, as compared with December 1861, of 89·83 per cent. on the population; 60·32 per cent. on the land fenced; 71·33 per cent. on the land under crop; 49·87 per cent. on horses; 25·47 per cent. on horned cattle; and 49·02 per cent. on sheep.

Census:
Statistics of
Southland.

In the report on the statistics of 1861 I stated that meteorological instruments having Meteorology. been recently forwarded by the General Government to the several Provinces, with a view to an extended and uniform system of observation, it might be anticipated that more complete information on this important subject would in future be available. For reasons explained in "Remarks" by Dr. Knight, Director of the Meteorological Stations (Appendix C.), the results of these arrangements appear in only a limited and comparatively imperfect form for 1862. The appendix, however, contains Dr. Knight's interesting "Remarks on the Meteorology of New Zealand, in 1862," and tables showing the results of observations, more or less complete, made at Auckland, New Plymouth, Napier, Wellington, Nelson, and Dunedin. Much fuller and more satisfactory contributions to the Meteorology of New Zealand may, no doubt, be expected from the observations in 1863.

I have, &c.
(Signed) JOHN B. BENNETT,
Registrar-General.

EASTERN COLONIES.

CEYLON.

CEYLON.

No. 22.

No. 22.

COPY of a DESPATCH from Governor Sir C. J. MACCARTHY, to his Grace the Duke of NEWCASTLE, K.G.

(No. 141.)
MY LORD DUKE,

Queen's House, Colombo, August 20, 1863.

I HAVE the honour to forward herewith the Blue Book Returns for this Colony for the year 1862.

2. Some delay has ensued in their transmission from the fact of their having been for the first time printed throughout, instead of being forwarded, as hitherto, in manuscript. But I trust that this delay will be fully compensated for by the improved form in which I am thus enabled to submit them to your Grace.

3. I will now proceed to indicate briefly some of the more important results exhibited in these Returns. It is satisfactory to observe that these results demonstrate the continued progress and prosperity of the Colony.

Revenue and Expenditure.

4. The revenue for last year amounted to 759,135*l.* 10*s.* 11*d.*, showing an excess of 7,138*l.* 9*s.* 5*½d.* over the revenue of the preceding year (1861), which amounted to 751,997*l.* 1*s.* 5*½d.* The principal items of increase are, 1,332*l.* 18*s.* 7*½d.* under the head of tolls on bridges, ferries, roads, &c., arising from the higher prices obtained in 1862 for the toll-rents; 3,542*l.* 17*s.* 7*d.* in the arrack rents, which realized better prices than in the preceding year; 5,179*l.* 19*s.* 2*½d.* in the sale of salt. The increase is chiefly in the North-western Province, and is attributed to a larger demand for salt in 1862 than in 1861. The increase of 2,544*l.* 8*s.* 7*d.* under the head of sale of unserviceable stores is owing principally to payments for railway stores received from the late railway company, and sold by Government in the course of the year. The increase appearing under the head of interest is caused chiefly by the payment of the sum of 1,462*l.* 19*s.* 9*d.* by the Oriental Bank on account of interest on the amount of export duty funded in the bank.

5. There were on the other hand decreases under several other heads. In land sales there was a decrease of 13,135*l.* in the Western, North-western, Southern, and Eastern Provinces. This was, however, made up to a great extent by the sales effected in the Northern and Central Provinces, leaving a sum of only 2,009*l.* 13*s.* 3*½d.* as the actual decrease. Under the head of land revenue, too, there was a decrease of 4,066*l.* 13*s.* 8*½d.* in the item of paddy, caused by the failure of the crops from drought in the North-western and Southern Provinces. The sum of 2,837*l.* 14*s.* 3*¾d.* appears as the decrease under the head of judicial and blank stamps, which is attributed to the reduction in the rates of stamp duty effected under the Ordinance No. 11. of 1861. Deducting, however, from this the increase in the items of postage stamps (1,131*l.* 6*s.* 10*d.*) and composition for stamp duty on bank notes in circulation (685*l.* 12*s.* 9*d.*), the actual decrease under the head of stamps was only 1,020*l.* 14*s.* 10*¾d.* There is a decrease of 4,218*l.* 13*s.* 9*d.* under the head of commissariat stores, provisions, building materials, caused by a diminution in the quantity of stores, &c. sold to public departments in 1862.

6. The total ordinary expenditure of the year amounted to 626,653*l.* 15*s.* 8*½d.* The excess of revenue over the expenditure of the year was therefore 132,481*l.* 15*s.* 2*½d.* But, in addition to the above sum of 626,653*l.* 15*s.* 8*½d.*, there was a further expenditure under the authority of the Surplus Fund Ordinances of a sum of 3,483*l.* 18*s.* 11*¾d.* making the total expenditure of the year 630,137*l.* 14*s.* 8*¼d.*, and reducing the surplus revenue to 128,997*l.* 16*s.* 2*¾d.* It should also be noted that in the revenue for the year is included the sum of 38,498*l.* 7*s.* 8*d.*, being proceeds of the duties on exports, which are reserved as a separate fund to meet railway liabilities.

CEYLON

7. As compared with the expenditure of the preceding year, that of 1862 shows a decrease of 8,576*l.* 8*s.* 4*1/4d.* The following are the principal items in which the decreases occur:—establishments, 5,544*l.*, caused by savings on the salaries and contingencies of the various public departments; works and buildings, 4,777*l.* 3*s.* 5*1/4d.*, this decrease was owing to the larger outlay on account of heavy works undertaken in 1861, there having been in that year, as stated in my Despatch No. 105. of the 27th May 1862, an increase of nearly 4,000*l.* on account of works and buildings over the expenditure of 1860); the slight decrease of 1,457*l.* under the head of roads, streets, and bridges consists of small balances on miscellaneous works remaining unexpended at the end of the year, and carried forward to the following one. Under the head of interest there is a decrease of 15,969*l.* 11*s.* 2*d.* The debt to the late railway company having been paid up in 1861, no payment on account of interest on that item appears in the accounts of 1862.

8. Under some of the heads there is an increase in the expenditure of 1862 as compared with that of the preceding year. A larger expenditure for provisions and other necessaries for prisoners in the principal gaols caused an increase of 2,599*l.* 14*s.* 6*d.* in the item of police and gaols. Owing to the measures adopted by me in the past year, and reported to and approved by your Grace, for the promotion of the immigration of coolies from the continent of India, an increase of 2,342*l.* 1*s.* 10*d.* appears under this head, and a sum of 12,030*l.* 12*s.* 11*3/4d.* figures under the head of railway liabilities in the returns of last year, whilst there was no expenditure on this account in the year preceding.

Assets and Liabilities.

9. The Auditor-General's return of assets and liabilities shows that on the 1st January 1863 the total amount of the assets at that date was 384,081*l.* 9*s.* 6*1/2d.*, and the amount of liabilities 231,620*l.* 16*s.* 9*d.*, leaving an apparent balance in favour of the Ceylon Government of 152,460*l.* 12*s.* 9*1/4d.* The assets include a sum of 68,327*l.* 2*s.* 10*1/2d.*, being amount of revenue debts outstanding. Of this the large sum of 36,897*l.* 18*s.* 6*3/4d.* is considered to be irrecoverable, and will have to be struck off the returns, on authority being obtained from Her Majesty's Government. 3,455*l.* 14*s.* 1*d.* are awaiting the decision of courts of law; and there is a prospect of recovering only the sum of 27,973*l.* 10*s.* 2*3/4d.* Deducting from the gross balance of 152,460*l.* 12*s.* 9*1/4d.* the above sum of 68,327*l.* 2*s.* 10*1/2d.*, and the further sum of 707*l.* 14*s.* 5*d.*, amount of surcharges outstanding, which may admit of explanation, and be settled by vouchers, the net balance would be 83,425*l.* 15*s.* 5*3/4d.* But the assets also include a sum of 25,596*l.* 7*s.* 11*d.*, being amount of export duty funded in the Oriental Bank to meet railway liabilities, which should likewise be deducted, leaving 57,829*l.* 7*s.* 6*3/4d.* as the actual surplus balance available for ordinary purposes. This is still considerably larger than the amount of the balance on the 1st January 1862, which was only 15,895*l.* 8*s.* 11*1/4d.*

10. The statement of liabilities includes the sum of 100,000*l.*, amount of debentures sold in England to pay the debt to the railway company, which, as remarked in my Despatch No. 105. of the 27th May 1862, will not be payable until after the expiration of seven years from the date of the issue of the debentures, and a further sum of 36,045*l.* for interest on those debentures which will be spread over the remainder of that period.

11. As compared with the liabilities on the 1st January 1862, which amounted to 335,014*l.* 7*s.* 4*d.*, there was a decrease in the amount of liabilities on the 1st January of the present year of 103,393*l.* 10*s.* 7*d.*

12. The statement of assets shows that the amount of cash in hand in the General Treasury and the several district chests on the 1st January 1863 was 251,351*l.* 8*s.* 4*3/4d.* Deducting from this the amount of deposits (74,315*l.* 9*s.* 2*1/4d.*), and the Treasury notes still outstanding (925*l.*), the balance in favour of the Government was 176,110*l.* 19*s.* 2*1/2d.*

Imports and Exports.

13. The Customs returns show that there was increase of 440,261*l.* 18*s.* 2*d.* in the value of goods imported in 1862, as compared with 1861, and a decrease of 79,318*l.* 7*s.* 11*d.* in the exports, the value being:—

<i>Imports.</i>			
		£	s. d.
1861	-	2,292,459	13 0
1862	-	2,732,721	11 2

Exports.

	£	s.	d.
1861	2,284,285	4	7
1862	2,205,966	16	8

14. The above figures do not, however, include the specie imported and exported, which is as follows:—

Specie imported in 1862.

	£	s.	d.
United Kingdom	5,000	0	0
India	857,914	15	2
Mauritius	3,700	0	0
Australia	562,853	1	0
Suez	47,650	4	4
	<hr/>		
	1,510,418	0	6

Specie exported in 1862.

	£	s.	d.
British India	286,153	8	6
Maldivine Islands	2,000	0	0
	<hr/>		
	288,153	8	6

15. Adding these to the value of goods imported and exported, the total value of the imports and exports of 1862, as compared with those of the preceding year, stands thus:—

Imports.

	£	s.	d.
1861	3,663,749	17	1
1862	4,243,139	11	8

Exports.

1861	2,706,207	2	2
1862	2,494,120	5	2

16. The increase in the value of imports is caused partly by a considerable increase in the quantity of wine and spirits imported; by the enhanced value of cotton piece goods; but chiefly by an increase in the official value of grain. In 1861 and for some years previously rice was valued at 4s. a bushel in the returns; but the real value having been much higher for a considerable time past, the official value of rice was raised 2s. and of other grain 1s. a bushel for 1862. This accounts for 462,536*l.* of the increase shown. There was, however, a decrease in rice and paddy imported of 19,184 bushels, the quantity imported in 1862 being 4,820,719 bushels, against 4,839,903 bushels in 1861.

17. The diminution in the value of exports is attributable chiefly to a falling off in the quantity of coffee exported in 1862, which was 605,178 cwts., whilst in 1861 it was 648,026 cwts., showing a decrease of 42,848 cwts. There was an increase in cinnamon and cocoanut oil; of the former, 875,475 lbs. were exported in 1862, against 845,218 lbs. in 1861, being an increase of 30,257 lbs. Of cocoa-nut oil, the quantity exported in 1862 was 1,429,531 gallons; in 1861, 1,040,428 gallons; being an increase of 389,103 gallons.

18. The revenue derived from imports and exports in 1862 was 234,077*l.* 8s. 7*d.*, showing the slight increase of 938*l.* 9s. 7*d.* over that of the preceding year. Adding to the above sum, the port dues, warehouse rents, &c., viz., 7,532*l.* 6*s.*, the total customs revenue for the year amounted to 241,609*l.* 14*s.* 7*d.*

19. I append to this Despatch a return of exports of coffee, cinnamon, cocoa-nut oil, and coir, the produce of the Colony, for the last 10 years; return of the total value of imports and exports (including specie and bullion) in the years 1860, 1861, and 1862; statement of the number and tonnage of vessels entered and cleared in the same years. The number of vessels entered in 1862 were 2,788; tons 447,481. The number of those cleared were 2,791; tons 441,511. Registered vessels belonging to Ceylon were 407; tons 21,538.

Enclosure 1.

Public Works.

20. I forward the following documents required by Her Majesty's Government, in addition to the Return of public works included among the Blue Book Returns.

Estimated expenditure out of surplus funds for 1863.

Analytical statement of progress of public works borne on the budget of 1863.

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Progress of expenditure on Surplus Fund Ordinances from 1857 to 1862, and the estimated expenditure for 1863.

Profit and loss on works undertaken as remunerative from 1857 to 1862.

21. I enclose also copies of Reports by the Civil Engineer and Commissioner of Roads, on the state of the Public Works Department, to which is appended a Report on the progress of expenditure on roads, and receipts from tolls for the year 1862.

22. From the abstract attached to the Blue Book Return it will be seen that the total expenditure on public works during the past year amounted to 150,895l. 14s. 8½d. viz.

	£	s.	d.
Government money	106,339	6	0½
Commutation money paid in assessment for labour under the Road Ordinance	17,122	15	10½
Private contributions	7,659	16	11½
Cost of establishment	19,773	15	10¼
	<hr/>		
	150,895	14	8½

This is exclusive of the expenditure on military works, which are not included in the Returns.

23. The amount expended in opening new roads was 17,197l. 17s. 7d., viz.: 12,526l. 19s. 6¾d. Government money, and 4,670l. 18s. 0¼d. private contribution. One of the principal lines of new road undertaken during the past year was that from Palmadulla to Ballangodde in the Western Province. This is a continuation of the line from Colombo through Ratnapoora, round the western and southern base of the central mountain zone of the Island, to Onvah, by the Happoletta Pass. The importance of this communication had been frequently urged on the Government, though, being a work of some magnitude, requiring a large outlay, its commencement had been long deferred. But extensive tracts of Crown land having recently been sold in the Onvah district, and several new coffee estates having been opened in it, the necessity of establishing this communication as the best line for the conveyance of the produce to the port of shipment was again pressed on the Government. After duly considering the representations made, and personally visiting the country through which the road was to run, I felt satisfied that the work was one calculated essentially to develop the resources of the Island, and that the assistance sought for should not longer be withheld. An estimate of 18,644l. for this portion of the line was submitted by the Commissioner of Roads, and a vote of 12,000l. was granted for it in the Supply Bill for 1862, of which a sum of 8,550l. 12s. 11¼d. was expended during the year.

24. The following are the other new roads opened during the past year, and the amounts expended on them:—

Central Province.

	£	s.	d.
From Maddool Kelle to Hooloogange in Doombera	3,603	9	4½
Opening a new road, the Pooselawa line, towards the valley of the Poondooloya in Kotmalie	3,556	11	11
Completion of road from Madawelle to Rajawelle in Doombera	611	8	1¾
Do. Ratotte Road in Matelle	273	0	2

Northern Province.

From Kodigamoe to Poottoor	429	19	2
From the Central Road towards Mulletivoe	138	2	1½

25. The amount expended for the upkeep of roads and canals was 65,626l. 17s. 4¾d. of Government money, and 20,111l. 13s. 11½d. of commutation money and private contributions. The expenditure on canals and inland navigation amounted to 4,285l. 17s. 7¾d. The northern canals between Colombo and Putlam have been kept in a state of efficiency, and the traffic on them has increased to a considerable extent. The canal tolls were rented in 1862 for 3,152l., whilst in 1852 they yielded only 293l. The average expenditure on metalled roads is stated by the Commissioner of Roads to have been about 106l. a mile, the maximum on the Kandy Road about 280l., the minimum on the Galle Road about 55l., and the average cost of all other roads about 24l. a mile. The cost of the repair of the road from Colombo to Galle, Matura, Tangalle, and Hambantotte, was 9,499l. 10s. 6¾d.; the receipts from tolls being 7,659l. The expenditure on the road from Colombo to Kandy was 20,412l. 16s. 3½d., whilst the receipts from tolls

amounted to 31,690*l.* The toll rents for the whole Island for 1862 amounted to 58,897*l. 5s.*, against 55,086*l. 2s. 6d.* in 1861.

26. The extraordinary and I believe quite unprecedented rainfall of the year 1862 tried very severely the principal roads in the Island. The Commissioner of Roads states that "from the 1st July to the 31st December there were 161 days of rain, and only 23 without it; that in consequence of this, disease broke out amongst the draft cattle; transport became scarce and very dear, and under the temptation of high rates almost every cart seen upon the roads was so overloaded, and the animals could progress with such difficulty, that in their efforts to move forward they yawed from side to side, the narrow overweighted wheels working into the road surface." Under these circumstances it is not to be wondered at that the roads suffered severely; but every effort has been and is now being made to put them into good order.

27. The sum expended for new bridges was 4,730*l. 19s. 1½d.* Of these, the principal were an iron trellis bridge on the Galle road at Dodandowe, which cost 1,313*l. 15s.*, and a bridge of the same description over a mountain stream in Doombera cost 1,597*l. 16s. 7¼d.* The repair of bridges cost 4,334*l. 5s. 7½d.*

28. The expenditure on new buildings was 5,041*l. 19s. 10¾d.* The following were the most important of the buildings in progress last year:—

	£ s. d.
The new civil hospital at Colombo	1,821 15 0
Singhalese Church, Hulfsdorp	242 3 3½
A new house, &c. for the Assistant Government Agent, Putlam	690 0 0
The lighthouses at Foul Point and Round Island	844 3 8½
A cutcherry at Matelle	443 0 0

29. The amount expended on the repair of existing buildings was 8,367*l. 19s. 11d.*; on drains, ferry boats, and general service, 1,855*l. 2s. 1½d.* Miscellaneous services amounted to 3,855*l. 2s. 4¾d.* The principal items under this head were the working of the factory, 500*l.*; purchase of tools, 2,000*l.*; the erection of a 20-ton crane at the Export Wharf, Colombo, 700*l.*; irrigation works at Kirime and Oorobokke, 685*l. 15s. 4d.*; and upkeep of irrigation works at Batticaloa, 240*l. 18s.*

Government Houses at Colombo and Kandy.

30. The reports of the Civil Engineer on the state of the Queen's House at Colombo and the Pavilion at Kandy show that both these buildings are in fair order. The Pavilion required certain repairs, which were undertaken last year, and were completed in the beginning of this year. From the report of the Deputy Commissary General on the public furniture of the Queen's Houses at Colombo and Galle, and the Pavilion at Kandy, it will be seen that the furniture has been maintained in good order and condition.

Surveying Department.

31. I enclose an interesting Report by the Surveyor General on the operations of his department during the past year. The results shown by him in regard to the sale of Crown lands appear to be very satisfactory. The total extent of land sold in the whole Island was 15,794 acres, which realized a sum of 35,173*l.*, giving an average of 2*l. 4s. 6d.* per acre. Of this sum, 23,238*l.* were received in the Central Province, where 9,545 acres were disposed of, the average price being 2*l. 8s.* per acre; whereas in former years the average price has been about 1*l. 8s.* per acre. In the Western Province, 3,778 acres were sold for 6,217*l.*, or at the rate of 1*l. 13s.* per acre. The highest rate has been obtained in the Southern Province, where 241 acres were sold for 2,876*l.*, or nearly 12*l.* an acre. Of these 96 acres were sold in the Girraway Pattoo for 2,062*l.*, or 21*l.* an acre, and some lots realized from 40*l.* to 50*l.* an acre. These high rates are ascribed to the irrigation works recently constructed in that district, which hold out a certainty of annual cultivation, by making it independent of the periodical rains. In the other Provinces the sales have not been extensive. The results are as follows:

Eastern Province:—915 acres sold for 1,023*l.*, or 1*l. 2s.* per acre.

North-western Province:—1,169 acres sold for 1,453*l.*, or 1*l. 4s.* per acre.

Northern Province:—143 acres sold for 364*l.*, or 2*l. 10s.* per acre.

32. In addition to these, lands to a large extent were disposed of in the various Provinces, as encroachments, lands granted at half valuation, or wholly relinquished to claimants after 30 years' possession, &c.; the quantity thus granted being 9,508 acres, and the amount realized 4,722*l.* The total quantity of land sold and otherwise disposed of during the year was 25,302 acres, and the total receipts 39,895*l.* The fees received by the department amounted to 5,405*l.* The cost of the Surveyor General's establish-

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ment was 17,883*l.* Against this expenditure the Surveyor General places the aggregate receipts both from sales and fees, amounting to 45,300*l.*, and shows a balance in favour of the department of 27,417*l.* But this is a method of calculation the correctness of which I cannot admit, I do not think that the receipts from the sales of land can properly be placed to the credit of the Surveyor General's Department.

Electric Telegraph.

33. No report has hitherto been furnished in the Blue Book Despatches on the working of the telegraph in Ceylon, the department being one of recent creation. I enclose an able Report on this subject for the year 1862, by Mr. Cappel, an officer of the Indian Government, whose services have been placed at the disposal of this Government, as Superintendent of Telegraphs in this Island.

34. The telegraph lines run from Galle to Colombo, a distance of 72 miles, from Colombo to Kandy, also a distance of 72 miles, and from the latter place to Tallamanaar, 164 miles, a total distance of 308 miles. From Tallamanaar the communication is carried on through the Paumben Channel to the coast of India, the distance being 53 miles. These lines were completed in the end of 1858. The total expenditure incurred by this Government up to 1862 for the construction of offices and line, including value of stores supplied by the Indian Government, and paid for last year in England, amounted to 21,519*l.* 17*s.* 2*d.* It has been decided to extend the communication from Kandy to Trincomalee. The cost of this work has been estimated at 5,000*l.*, a moiety of which is to be defrayed from the revenues of this Island; the other moiety being contributed from Imperial funds. A sum of 600*l.* has been voted in the Supply Ordinance for this year towards this work.

In 1857	- £4,840	2	10 <i>d.</i>
" 1858	- 3,708	6	2 <i>d.</i>
" 1859	- 9,065	6	2 <i>d.</i>
" 1860	- 385	10	5 <i>d.</i>
" 1862	- 3,520	11	5 <i>d.</i>
			£21,519 17 2

35. The general results of the transactions of last year, given by the Superintendent, are satisfactory. The total number of messages despatched was 12,628, being less by 24 than those of the preceding year, 12,652. Of these, 3,602 messages were sent by native correspondents. The receipts for the year amounted to 4,367*l.* 3*s.* 5*d.*, which includes a sum of 481*l.* 2*s.* 1*½d.* for public news messages sent free, and for which a pro forma charge only is made. Deducting this sum, the net receipts carried to the credit of the Government amounted to 3,886*l.* 1*s.* 4*d.* As compared with the net receipts of 1861, those of last year show an excess of 526*l.* 19*s.* 6*¼d.* The anomaly of a decrease in the number and an increase in the collections of 1862 over those of 1861 is explained by the fact, that the number of words in the messages of 1862 were greater than those of the preceding year. It will be seen that a large proportion of the receipts was derived from messages forwarded through Ceylon, the sum obtained from local messages being only 889*l.* 1*s.* 11*d.* The Superintendent of Telegraphs does not attribute this to a want of appreciation of the advantages of the telegraph; for he states that at places where there are telegraph stations, all classes avail themselves very generally of its services; but he ascribes it to the limited number of the community generally, and especially of the mercantile portion, whence the greatest support is naturally expected. The cost of working in 1862 was 4,593*l.* 9*s.* 1*¾d.*, whilst in 1861 it amounted to 4,758*l.* 4*s.* 5*¾d.* As compared with the receipts, the expenditure is in excess by only 226*l.* 0*s.* 8*¼d.*

36. Statement G. appended to the Superintendent's Report shows the net receipts carried to the credit of the Government, the total expenditure, and the deficit in each year, from 1859 to 1862. Although the receipts have increased from 2,472*l.* 0*s.* 10*½d.* in 1859 to 3,886*l.* 1*s.* 4*d.* in 1862, and the expenditure has been reduced from 5,682*l.* 14*s.* 0*½d.* in the former year to 4,720*l.* 4*s.* 10*d.* in the latter, there has been a yearly deficit, which amounted in 1862 to 834*l.* 3*s.* 6*d.* This was considerably less than the deficit of former years; but it still appeared to me to be an unsatisfactory state of things. I considered that the department should at least be able to recover the expenditure incurred for its maintenance. Seeing, moreover, that Ceylon profited but little by the large sum which it defrayed in comparison with India, it seemed to me equitable to impose a higher rate on messages through Ceylon to India than was charged for such messages as might be said to belong peculiarly to the island. The tariff of charges was accordingly revised last year, and the unit of 200 miles was fixed as the distance at which a message at the single rate could be transmitted, a double rate being charged for all distances over 200 miles. Hitherto Ceylon had been considered as one distance, without reference to its length of line, or the station to or from which the message was despatched. This alteration will I believe cause a considerable increase in the receipts, which, after defraying the annual expenditure, will I trust in future leave a surplus in favour of the department.

37. Notwithstanding the large expenditure incurred by this Government, it is to be regretted that the state of the lines is not by the present Superintendent represented to be very satisfactory. The whole of the lines, he says, were erected in very great haste, and in a very primitive manner. The wooden posts on the lines (with the exception of a very small section) are all reported to be in various stages of decay. Several of these posts have been renewed during the past year; but considerable repairs are still needed. In the portion of the line between Galle and Colombo the wire passes through cocoanut gardens close to the sea for nearly the whole distance, and being suspended from these trees by means of brackets, is subjected to great strain, and is also liable to injury from the fall of the leaves, and from being exposed to the full violence of the monsoon. In these circumstances it could not but be expected that there should be difficulties in the working of the lines. But it is satisfactory to learn that in spite of these difficulties the communication has been almost uninterruptedly maintained, and that there have been no complaints against the department in Ceylon.

Railway.

38. Although there is not much yet to be stated in connexion with the actual progress of the railway, the important fact that in 1862 the Government and the Legislature of this Colony came finally to the resolution of constructing a railway between Colombo and Kandy, and recommended to Her Majesty's Government the acceptance of one of the tenders submitted for the work, deserves to be specially recorded here.

39. On the receipt in this Island of the several tenders which had been invited by the Agents General for the Crown Colonies, in pursuance of the decision of this Government, the same were laid by me before the Legislative Council; and a committee of the Council was appointed to consider the subject, and to recommend the tender which appeared to it to be the most advantageous for the interest of the Colony. The tenders received were eight in number. The lowest was that of Mr. Faviell. Its amount was 873,039*l.* To this was to be added the sum of 509,000*l.* for value of the survey, works executed, and materials, plant, stores &c. (283,000*l.*), and the future expenditure for rolling stock, cost of land, provision for machinery, workshops, &c. (226,000*l.*), making the total amount of Mr. Faviell's tender 1,382,039*l.*, being within the amount (1,500,000*l.*) to which it had been decided by the Council to limit the cost for the railway. This was exclusive of the cost of maintenance of the line after its completion, for which Mr. Faviell tendered at the rate of 150*l.* per mile for one year, of 300*l.* per mile per annum for three, five or seven years, making the total cost of construction and maintenance for seven years, for which period it was considered desirable that the line should be kept up by the contractor, 1,028,439*l.*, or, adding the sum of 509,000*l.* for past and future expenditure, 1,537,439*l.* The work to be completed within four years from the date of signing the contract. The committee, after a careful consideration, recommended the acceptance of Mr. Faviell's tender. This recommendation was adopted by the Legislative Council, by a resolution unanimously agreed to at a meeting held on the 22d November last, which was forwarded to your Grace with my Despatch No. 233. of the 29th of that month. Mr. Faviell's tender was thereupon accepted by Her Majesty's Government; and a contract was entered into with him by the Agents General in London, on the basis of that tender. Mr. Faviell arrived here, with his staff of engineers, in the early part of this year, and the works are now in progress with a degree of energy and activity on the part of the contractor which is highly creditable to him.

40. With a view to providing funds for the construction of the railway, an Ordinance was passed last year for raising 1,000,000*l.* on debentures to be issued by this Government. It was not considered necessary to raise a larger loan, as calculations made with great care have satisfied me that the remainder of the money required for the purpose can be provided from the resources of the Colony. In addition to the amount of the export duty, estimated at 40,000*l.*, it was decided that a sum of 20,000*l.* a year should be appropriated from the general revenue towards railway liabilities; and, in accordance with instructions from Her Majesty's Government, further provision will have to be made in future years for liquidating this railway debt.

Legislation.

41. 19 Ordinances were passed during the session of last year. Of these, three, viz., No. 1, for vesting property occupied by the Naval Service of the United Kingdom in the Lord High Admiral, or the Commissioners for executing the office of Lord High Admiral; No. 4., amending No. 5. of 1861, relating to wrecks, sea casualties, and salvage,

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and directing that the proceeds of the sales of unclaimed wreck shall be carried to the credit of the Consolidated Fund of the United Kingdom, instead of being paid into the Colonial Treasury; and No. 5, to prohibit when required the exportation and carriage coastwise of military and naval stores, were enacted in pursuance of instructions received from Her Majesty's Government.

42. Ordinance No. 2 was a bill to naturalize W. F. A. Hinck, a German settler in the Colony.

43. The concession granted by Ordinance No. 3. of exempting paper from customs duty was made in consequence of an application from the proprietors of the local newspapers, paper being free from duty in England as well as in India.

44. Ordinances Nos. 6., 11., and 16. authorize the establishment of tolls on certain roads in the Western Province, which were called for by the state of traffic on those roads.

45. No. 7. was passed in consequence of certain representations made by the Royal Society for the Prevention of Cruelty to Animals.

46. No. 8 was the supplementary Supply Ordinance, providing for certain charges not included in the ordinary Supply Ordinance for the year.

47. The graveyard at Galle Face, Colombo, having been represented to be an overcrowded state, it was found necessary, on sanitary grounds, to close it partially. Ordinance No. 9. was therefore enacted with a view of restricting it to the use of the garrison of Colombo. Advantage was taken at the same time to make an alteration of the original trust deed, by providing for the interment of members of the garrison according to the rites of the church to which they belong. This provision became necessary in consequence of certain unseemly disputes which took place some time ago, owing to objections raised by a Chaplain to the right of the Presbyterian Chaplain and other Ministers of Religion to officiate therein.

48. The partial closing of the Galle Face burial ground, and the representations which were received of the overcrowded state of some other burial grounds, rendered it necessary that provision should be made for the establishment of general cemeteries in the Island. Ordinance No. 12 was passed with this view. It prescribes the principles which should guide the laying out of burial grounds, and contains general provisions for the proper management thereof. The several boards of health have been requested to state whether they consider it desirable to bring this Ordinance into operation in their respective Provinces. As regards Colombo, a piece of land about 40 acres in extent has already been selected, and will be laid out, enclosed, and prepared for immediate use.

49. The Indian Act, No. 25 of 1859, was passed to prevent the overcrowding of vessels carrying native passengers in the Bay of Bengal. The Ordinance No. 1 of 1860 was then enacted in this country to correspond with the Indian Act, and to prevent such overcrowding in the Gulf of Manaar and Palk's Straits. It was found, however, that where vessels brought passengers in excess of the prescribed number from India, thus committing a breach of the Indian Act, the tindals or masters could not be punished in Ceylon, and vice versa. This was inconvenient, as the evidence was forthcoming at the port of disembarkation, and could not conveniently be conveyed thence. It was therefore agreed between the Indian and the Ceylon Government that legislative provision should be mutually made to remedy this defect, and the Ordinance No. 10 of 1862 was passed with this object, a corresponding measure having been enacted by the Government of Madras.

50. The want of a proper registration of marriages, births, and deaths in this Island had long been felt, the machinery for that purpose provided by the Ordinance No. 6. of 1847 having been found to be cumbersome, and in many respects impracticable. During the last session two Bills were prepared, and submitted to the Council, one for the registration of marriages, and the other for that of births and deaths. The former was withdrawn in consequence of objections raised to some of its provisions by different religious bodies. I have addressed your Grace on this subject separately, and have requested instructions as to the principle of a new and amended Ordinance which I propose to bring forward this year. Ordinance No. 13., which was passed by the Council, provides for the registration of births and deaths. It will be of material assistance in the formation of a general census, and will also confer great benefit on private individuals, by providing them with an easy and certain mode of proof of facts bearing on family inheritance and succession of property.

51. Ordinances Nos. 14. and 15. were measures required for the safety of the public. The possession of large quantities of gunpowder by dealers, who kept the same in

insecure places, and its removal from one place to another without proper precautions to avoid accidents, called for legislative interference, and led to the enactment of Ordinance No. 14., which provides for the construction of magazines for the deposit of gunpowder, and against the possession, sale, and removal of the article, except under certain restrictions. Ordinance No. 15., for the better preservation of public health, and the suppression of nuisances, was urgently called for by the circumstances of the Colony. The want of a law to provide against nuisances had been much felt; and the increase of population rendered it necessary to make provision for promoting the cleanliness of towns, and preserving the public health.

52. An erroneous impression seemed to exist in India as to the cause of the discrepancy between the arrivals and departures of coolies, which was ascribed to mortality amongst the men; whereas there was good reason to believe that a large number of the immigrants settled in Ceylon with their families, and never returned to India. It was considered desirable to remove this impression; and Ordinance No. 17., to ascertain the proportion of mortality amongst the natives of India employed in agricultural and other labour in Ceylon, was passed with this view.

53. Ordinance No. 18. provides for the contingent service of the year 1863. Besides a large sum for public works, and the usual provision for carrying on the administration of the Government under the various heads of service, a sum of 58,640*l.* has been provided for under the head of railway liabilities, which includes the estimated amount of export duty, viz., 38,640*l.* and 20,000*l.*, which it has been decided should be set apart annually from the general revenue towards the construction of the railway.

54. The last measure passed by the Council was Ordinance No. 19., for raising one million sterling on debentures, for the construction of a railway from Colombo to Kandy. In my Despatch No. 1. of 2d January last I explained fully the considerations which guided me and the Council in fixing the amount to be raised, and in determining the maximum and minimum periods for which the debentures should run.

Population.

55. The population return is made in the new form proposed by me in my Despatch No. 106. of the 21st May, and approved by your Grace's Despatch No. 106. of the 9th July last. Instead of the heads "white" and "coloured population," which appeared in former returns, that for last year distinguishes the number of the English residents and the European descendants from the coloured population. The latter is again divided into the "Singhalese," "Malabars," and others. The total population of all classes of inhabitants for 1862 was calculated at 2,079,881, showing an excess of 160,394 over the population of the preceding year. Although these figures cannot be considered as actually representing the exact numbers, those for 1862, being compiled from returns obtained from householders under the Road Ordinance of 1861, may be supposed to approximate more nearly to accuracy than the returns of previous years.

56. The population return shows also the numbers of births, marriages, and deaths during the year, which are given as follows:

Births	-	-	-	48,602
Marriages	-	-	-	19,518
Deaths	-	-	-	33,652

Owing to the great difficulties which impede all census operations in the east, I cannot present these figures as altogether reliable; but I trust that when the Ordinance No. 13. of 1862, for the registration of births and deaths, shall have been brought into operation, and a new Marriage Ordinance shall have been enacted, we shall be able to obtain more correct information on these points.

Public Health.

57. I enclose a Report by the Principal Civil Medical Officer on the state of his department and of the public health. The Report is full and interesting. It enters into great details with respect to the several hospitals in the Island, and gives an account of the various diseases which prevailed here, showing in some instances their origin and progress.

58. Dr. Charsley reports that during 1862 no special diseases prevailed throughout the Island to any serious extent, excepting "the endemic fevers which are always present in certain localities, cholera, and small-pox, which gradually increased in virulence from the beginning of 1862 until it became epidemic in the Northern and Western

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"Provinces before the close of the year." And as a proof of the generally improved condition of the public health, he mentions the fact that the number of admissions into the principal Government civil hospitals was considerably less than during 1861, and that the applications to the public stores for fever medicines for general distribution also diminished. This remark as to the improved condition of the public health applies, I conclude, to diseases other than cholera and small-pox, which, as will be shown hereafter, prevailed much more extensively in 1862 than in the preceding year.

59. Measles, it is stated, prevailed to a slight extent at the beginning of the year in the Western, North-western, Central, and Southern Provinces; and in Galle it appears they were attended with unusual mortality during the month of February. Sore throat of a malignant form was reported to be prevalent in Kandy in January and February, and whooping cough in the Southern Province during the months of August, September, and October.

60. These are the only diseases noticed by the Principal Civil Medical Officer in his Report, besides cholera and small-pox, to which I shall now more especially advert.

61. "Cholera," says Dr. Charsley, "assumed an epidemic form during the year 1862 in the Central, Northern and Southern Provinces. The Western, North-western, and Eastern Provinces also suffered in a slight degree; but in these a very few cases occurred, and they might almost be considered sporadic." In the Northern Province the disease made its appearance in February, having been imported by an immigrant from India, and it continued till October; the number of cases which occurred being 2,129, and the number of deaths, 1,233. The Principal Civil Medical Officer adverts to the practice which obtains in the Jaffna district of soaking cocoanut husk, in order to separate the fibre, to which he attributes in a great measure the extensive prevalence of the disease in the localities in which that practice is carried on. With reference to this I may state that steps have been taken under the provisions of the Nuisance Ordinance of 1862 to put an end to the evil complained of. In the Central Province, too, the disease appears to have been imported. The first case occurred in April and the last in November. The number of cases was 196, of which 74 recovered and 122 died. In the Southern Province 194 cases were reported between the 5th August and 13th October, of which 105 recovered, and 89 died. In the other Provinces the number of cases was very small. The total number of cases throughout the Island was 2,594, and the number of deaths 1,488. The numbers of cases and deaths in 1862 were much larger than those of the preceding year, in which the cases reported were only 179, and the deaths 133. The rate of mortality, however, was less, being 57 per cent. in 1862, and 74 per cent. in 1861.

62. As stated in my Despatch No. 105. of the 27th May 1862, small-pox, which commenced in the early part of 1861, continued till the end of that year. It prevailed throughout the whole of last year, chiefly at Colombo, where it raged as an epidemic, and it gradually extended to other parts of the Island. Although the disease abated towards the end of the year, it has not yet disappeared, there being several cases at the present moment. The total number of cases reported in the Island was 2,190, and the number of deaths 336. In 1861 the numbers of cases were only 158, and of deaths 38. The rate of mortality was, however, lower in 1862, being only 15 per cent., whilst in 1861 it was 20 per cent.

63. The efforts made to extend vaccination in 1862 were attended with greater success than in previous years. The total number vaccinated in 1862 was 77,011, of which 56,884 were reported as successful; whilst in 1861 the number vaccinated was only 51,317, and the successful operations were 37,414.

64. Owing to the difficulty of carrying on vaccination, in consequence of the prejudices and apathy of the natives, the question of making vaccination compulsory is now under the consideration of the Government; and I hope to be able, at the ensuing session of the Legislative Council, to bring forward a measure to effect this object.

Ecclesiastical.

65. The Right Reverend Dr. Claughton, who was appointed by Her Majesty's Government Bishop of Colombo, in succession to Dr. Chapman, arrived here in October last, and commenced his labours with zeal and earnestness. I enclose an interesting Report from his lordship on the state of Religion in this Colony, as represented by the ministrations of the clergy and catechists of the Church of England.

66. The ecclesiastical returns show that there are 14 chaplains of the Church of England, 12 drawing salaries on the fixed and two on the provisional establishment.

Two of these receive also, in addition, allowances from the Society for the Propagation of the Gospel ; and there are two other clergymen belonging to the same society, to whom allowances in aid are given by the Government. This society has besides in its employ eight clergymen and 17 catechists. The number of places of worship belonging to it is 41, and the number of attendants is stated to be 3,484.

67. The return of the Church Missionary Society does not show the number of missionaries employed. The number of places of worship belonging to it is 28, and the average number of attendants last year was 1,195.

68. The Presbyterian Church has four clergymen on the fixed establishment, drawing salaries from Government, one receiving an allowance in aid, and two maintained entirely by the Church Extension Society.

69. The Wesleyan Mission has two divisions, south and north-east, Ceylon. In the former it has 18 stations, four English and 17 native ministers, and 72 places of worship, and the number of attendants was 4,082 ; in the latter it has seven stations, seven ministers, and 33 places of worship, and the number of attendants was 2,540.

70. The Baptist Mission has two European and 12 native ministers, 24 places of worship, and the average number of attendants was 1,058.

71. The American Mission confines its labours to the Northern Province. It has 10 stations, 12 missionaries, and 18 places of worship, and the average number of attendants was 1,351.

72. The Roman Catholic Mission has two divisions, the Western, Southern, and Central Provinces, under one bishop, and the Northern, Eastern, and North-western Provinces under another. In the former there are 20 missionaries and 141 churches ; in the latter, 24 missionaries and 238 churches. There are besides three other missionaries under the patronage of the King of Portugal. The attendance in these churches is very large ; but the returns do not in all cases give the number of attendants.

73. A sum of 400*l.* was granted by Government last year as donations to the Church, Wesleyan and Roman Catholic missions, and the Society for the Propagation of the Gospel.

Education.

74. The returns for schools for the year 1862 show, as compared with the like returns for the previous year, a decrease of 289 in the number of pupils in the Government schools, the numbers being 5,518 in 1862, against 5,807 in 1861, and a decrease of 158 in the average daily attendance. The Secretary to the School Commission reports that this decrease has occurred chiefly in the vernacular schools, and that it is to be attributed in a great measure to the prevalence of small-pox in some of the most populous parts of the Island. Owing to the clergy of the Church Missionary Society at Jaffna having declined to continue their connexion with the School Commission, under the existing rule for grants in aid, there is a decrease of nine in the number of schools aided by Government, and of 253 in the number of pupils in such schools, the numbers being :—

In 1861, schools	27	- Pupils	1,677.
1862 do.	18	- do.	1,424.

75. The expenditure by the Government on account of education amounted to 14,099*l.* 7*s.* 6*d.* in 1862, showing a decrease of 207*l.* 4*s.* 7*d.* as compared with the expenditure of 1861, which amounted to 14,306*l.* 12*s.* 2*d.* ; whilst, on the other hand, there was an increase of 145*l.* 2*s.* 5*d.* in the receipts from school fees, which amounted to 2,294*l.* 18*s.* 0*d.*, the amount received in 1861 being only 2,149*l.* 15*s.* 7*d.*

76. I enclose a copy of the Nineteenth Report of the Central School Commission for the period from 1st July 1861 to 30th June 1862, which gives a full account of the Government schools up to the middle of last year.

Enclosure 4.

77. Besides these schools, it will be seen from the Blue Book Returns that there are two orphan schools supported by the Government for the maintenance and education of the orphan children of the deceased European soldiers of the garrison. There were last year 25 boys in the Male and 24 girls in the Female Orphan School.

78. The regimental schools, 15 in number, are supported by Her Majesty's Government. Five of these are for the instruction of the children of the European soldiers of the garrison in the different stations in the island. Of the remaining 10, five are adult schools for non-commissioned officers and soldiers of the Ceylon Rifle Regiment, who are taught reading and writing in English and Malay, and five for the sons of the soldiers of

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that corps. A certain number of these boys are regularly taken on the strength of the regiment as half-pay boys; and when they are of sufficient age they are enlisted as privates. The number of pupils attending the regimental schools last year was 822.

79. The various missionary bodies in Ceylon are also extensively engaged in the work of education in this Island. There were no less than 329 schools maintained by them in 1862, affording instruction to 13,511 pupils. The following is an abstract of the schools belonging to each mission:—

		No. of Schools.	No. of Pupils.
Society for the Propagation of the Gospel	-	62	2,366
Church Missionary Society	-	26	1,584
Wesleyan do.	-	107	4,364
Baptist do.	-	14	562
American do.	-	48	1,636
Roman Catholic do.	-	70	2,999
Total	-	327	13,511

80. These schools are entirely supported by the different missions, with the exception of those belonging to the Wesleyan and the Roman Catholic Missions in the Northern Province, who received last year from the Government grants in aid, the former of a sum of 281*l.* and the latter 200*l.*

81. The number of private schools in the different parts of the Island in 1862 was 784. Of these, five were English schools, having 332 pupils; seven, English and Singhalese and Tamil schools, having 274 pupils. The remainder were native schools, in which the instruction imparted was entirely in the Singhalese and Tamil languages, with the exception of a few Mahomedan schools, in which Arabic was taught. Of these native schools there were 211 in which the number of pupils was 4,902. The returns do not give the number of pupils in the remaining 561 schools.

82. With a view to the preparation of as full and comprehensive a Report as possible on the administration of the Colony during the past year, I directed the several Government Agents and other heads of departments to be called upon to furnish Reports on the state of their respective provinces and departments. Some of these Reports have been already referred to in preceding paragraphs. I append also to this Despatch several others, which contain interesting information on various matters connected with this Colony, which I think it desirable to place before Her Majesty's Government.

I have, &c.
(Signed) C. J. MAC CARTHY.

His Grace the Duke of Newcastle,
&c. &c. &c.

Enclosure 5.
Enclosure 6.
Enclosure 7.

STATE OF HER MAJESTY'S COLONIAL POSSESSIONS.

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Enclosure 1 in No. 22.

DECENNIAL RETURN of EXPORTS of COFFEE, CINNAMON, COCONUT OIL, and COIR, the PRODUCE of the COLONY.

Year.	Coffee.			Cinnamon.			Coconut Oil.			Coir.			Total Amount of Customs Revenue from the foregoing Exports.
	Quantity.	Value.	Amount of Export Duty received.	Quantity.	Value.	Amount of Export Duty received.	Quantity.	Value.	Amount of Export Duty received.	Quantity.	Value.	Amount of Export Duty received.	
1853	Cwt.	£	£	Lbs.	£	£	Gallons.	£	£	Cwt.	£	£	£
1853	328,971	655,602	—	956,280	51,040	—	1,033,974	95,990	—	47,624	22,982	—	—
1854	407,622	850,846	—	784,284	45,184	—	1,059,272	121,298	—	58,028	43,702	—	—
1855	506,540	1,025,282	—	730,600	36,089	—	908,742	108,913	—	45,975	27,754	—	—
1856	440,819	981,723	—	877,547	45,370	—	1,046,326	101,591	—	29,564	19,028	—	—
1857	602,266	1,496,645	—	887,959	52,574	—	1,679,258	212,184	—	42,256	29,617	—	—
1858	544,507	1,337,122	27,226	750,744	37,537	751	777,162	77,716	1,949	40,420	32,419	511	30,437
1859	589,779	1,467,497	29,490	879,361	43,972	880	1,118,638	118,864	2,985	38,086	25,945	447	33,802
1860	620,132	1,574,033	31,007	675,156	33,758	675	1,549,089	154,909	3,890	36,616	24,864	458	36,030
1861	648,026	1,656,733	32,402	845,218	42,261	845	1,040,428	104,043	2,613	43,168	31,883	540	36,400
1862	605,178	1,445,284	30,259	873,475	43,774	876	1,429,531	142,953	3,591	46,595	37,648	583	35,309
Total	5,293,840	12,490,767	150,384	8,262,624	431,559	4,027	11,642,420	1,238,461	15,028	428,332	295,842	2,539	171,978

TOTAL VALUE of IMPORTS and EXPORTS (including SPECIE and BULLION) from and to EACH COUNTRY, in each of the Years 1860, 1861, 1862.

Countries.	Imports.			Exports.		
	1860.	1861.	1862.	1860.	1861.	1862.
United Kingdom	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
- - -	1,043,052 1 8	801,491 11 10	836,319 1 11	1,638,994 7 10	1,724,740 0 7	1,703,574 1 1
British Possessions in India	1,684,753 19 3	1,882,912 15 1	2,518,543 2 11	641,994 14 8	780,272 15 10	612,550 6 8
Mauritius	470 2 3	2,585 8 0	37,801 3 1	7,288 15 10	9,539 19 6	11,565 15 9
Aden	15 6 6	34 15 11	—	18 0 0	90 15 7	15 3 7
Hong Kong	7,208 17 10	8,659 1 4	4,134 14 11	1,242 6 11	332 11 3	67 18 0
Australia	515,107 7 10	738,201 1 5	570,495 8 8	40,852 12 1	47,401 0 0	34,744 4 2
Cape of Good Hope	2 0 0	69 4 0	432 17 11	—	—	—
Gibraltar	—	—	—	—	—	19,844 17 8
Sierra Leone	—	—	—	—	—	656 13 8
France	4,910 19 6	1,497 12 0	835 7 0	110,443 8 9	70,073 4 3	54,572 15 11
Holland	—	—	—	40,982 5 11	25,018 4 8	—
Suez	112,887 11 10	66,771 8 2	74,841 3 8	735 4 8	1,318 1 0	1,373 17 6
French Possessions in India	158,068 5 3	130,503 17 8	135,951 4 6	16,549 12 4	27,234 17 11	29,427 4 2
Maldivine Islands	20,135 9 1	26,648 16 2	35,603 16 11	5,100 14 10	6,739 11 11	9,384 11 0
China	0 15 9	—	—	—	—	—
United States of America	3,369 19 11	4,111 15 6	16,566 12 3	45,339 10 5	13,445 19 8	16,342 16 0
Dutch Possessions in India	3 0 0	—	—	1,044 9 4	—	—
Buenos Ayres	—	240 0 0	—	—	—	—
Arabia	1,252 18 3	—	11,614 17 11	—	—	—
Bourbon	—	22 10 0	—	—	—	—
	£ 3,551,238 14 11	3,663,749 17 1	4,243,139 11 8	2,550,586 3 7	2,706,207 2 2	2,494,120 5 2

Customs, Colombo, March 1863.

T. B. STEPHEN, Acting Collector.

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Enclosure 2 in No. 22.

SIR,

Commissioner of Roads and Civil Engineer's Office,
Colombo, February 24, 1863.

In compliance with the instructions contained in your circular of the 28th February 1862, I do myself the honour of submitting a report on the state of the Public Works Department, together with a report on roads, called for by your Letter No. 106. of the 5th instant, the latter report forming an appendix to the former.

The Hon. the Colonial Secretary.

I have, &c.
(Signed) T. SKINNER.

REPORT on the Condition of the Public Works Department, and on its operations during the year 1862.*

This being the first annual report which has been called for, I have some difficulty in determining into what extent of detail it should enter. If intended to be read, I feel it should be concise; but, on the other hand, if it is to be of any use, it must be the reverse. I will endeavour as far as possible to avoid an extreme in either direction.

Department Personnel.

The department consists of the following officers:—

Commissioner of Roads and Civil Engineer	-	-	-	1
Officers on the fixed establishment	-	-	-	10
Office assistant	-	-	-	1
Officers on the unfixed or provisional establishment	-	-	-	21
				33

Charge.—Their charge extends over an area of 24,000 square miles of country, divided into six provinces and 15 districts; 2,370 miles of roads and streets; 150 miles of inland navigation, exclusive of navigable rivers; 422 public buildings.

Expenditure.—The votes granted for public works last year, including Road Ordinance and private funds, under the Branch Road Grant in Aid Ordinance, amounted to 184,478*l.* 17*s.* 10*d.*; those for the current year to 210,571*l.* 5*s.* 8*½d.* The average amount of the votes for the last five years is 199,151*l.* 10*s.* 9*½d.*

Under Officers.—The department is so much under handed, and some of its officers so overworked, that it is impossible for them to devote that amount of supervision to their works, or that time and care to preparation of designs and estimates, which should be given to them. Inefficient and insufficient superintendences are costly, and have a demoralizing tendency in an oriental country, where merit, rather than the reverse, attaches to clever expert roguery, and where the disgrace of a dishonest act rests more in the clumsiness which leads to its detection than to the turpitude of the act itself. An overseer dismissed the service for dishonesty suffers very little in the social relations of life, further than being perhaps debarred from re-entering the service of Government, until his delinquency shall have been forgotten. He is not shunned by his relatives and friends as a man similarly circumstanced would be at home. The amount of the salary of a good superintending officer is little, compared with the amount he saves the public; whilst the check he is to dishonesty in subordinates is of itself worth paying for.

Two additional District Officers required.—Two additional district officers are very much needed, one for Matella, which has 79 miles of road, and another for Doombera, which has about 50 miles. Both these districts are at present under the district officer of Kandy, whose charge is otherwise extending in the direction of Deltotte on one side and Maturatta on the other. It is simply impossible he can do justice to so extended a charge. The Northern Province, the largest in the Island, requires more superintending officers. The experiment of doing without them, and of depending on educated overseers to supply their place, has been tried for many years, and has most signally failed. Experience convinces me that to force responsibility on the native, merely because he is educated and intelligent, is as inconsiderate and unfair to him as it is unjust to the public interest. When he has been sufficiently tried, and gradually, under European direction, has attained a position to lose, he becomes most valuable, in proof of which we have several honourable examples, in native gentlemen, who admit and deplore, quite as much as we do, the want of integrity in their race.

Work performed by Officers may be judged of by their Expenditure and Travelling.—The amount of work imposed on officers may be fairly judged of by the distance travelled by each of those in charge of districts during last year, and by the amount of money voted to their respective districts.

* The Appendices to this Report are not printed.

		Amount voted. £	Miles travelled during the Year.
1. Colombo assistants	- - - - -	21,853	These officers travel about 10 or 12 miles a day each in Colombo.
2. District officer, Kandy Road	- - - - -	27,606	Sick for several months.
3. Provincial assistant, Northern Province	- - - - -	11,433	4,443
4. District officer, Negombo	- - - - -	5,130	3,789
5. Do. Kandy	- - - - -	31,330	3,246
6. Provincial assistant, Southern Province	- - - - -	11,226	2,889
7. District officer, Putlam	- - - - -	5,016	2,759
8. Do. Kotmalie	- - - - -	11,856	2,697
9. Do. Caltura	- - - - -	3,595	2,491
10. Do. Onvah	- - - - -	6,598	2,343
11. Do. Nuarakalawia	- - - - -	Included in that of the North Province	2,308
12. Do. Saffragam	- - - - -	4,010	1,957
13. Do. 7 Korles	- - - - -	3,671	1,814
14. Do. Batticaloa	- - - - -	1,797	1,593
15. Do. Trincomalie	- - - - -	3,243	973

Office System.

Estimates.—I have so recently and so fully in my letter No. 129. of the 6th instant represented to Government the defects in our form and system of estimating, that I will not encumber this report with further reference to the subject than to express a hope that relief from the complications of account, and multiplicity of writing, inherent in our existing system, may be conceded. The department is at present weighed down with an amount of clerical duties which the clerks in the head quarters office can only with the greatest exertion get through, with the assistance of occasional job work out of the office.

Necessity for earlier sanction of Estimates.—I must here advert to the great disadvantage to the department and loss to the public which results from the non-sanction of road estimates before the date (1st January in each year) at which they ought to come into operation. The result of the unusual delay in this respect last year was the loss of valuable labour, which we could not recover throughout the year. In February 1862, when we should have had 10,000 or 12,000 men at work, we were reduced to 3,500, for want of sanctioned estimates on which to employ them. This year we have again suffered from the same cause, though happily in a minor degree, although some of our estimates were sanctioned early in January. Nothing short of the road estimates being sanctioned, and of officers being authorized to continue their force in unbroken employment, will prevent the loss we are now annually subject to, of numbers of valuable men, who, naturally objecting to be kept on in idleness, and uncertainty as to when they will be permitted to resume work, yield to the temptations of those in search of labour, of whom there is never any lack.

Labour.

Three descriptions of.—The labour employed in the public works of the Colony is of three descriptions; firstly, the fixed establishment of pioneers; secondly, local labourers, skilled and unskilled; thirdly, immigrants, unskilled.

Pioneers.—The pioneer force consists of 10 divisions, the aggregate strength of which should be 10 officers, 70 non-commissioned officers, 2,000 artificers and pioneers of various grades, and 100 boys; but it is at present 12 non-commissioned officers and 662 men below its strength. Although the pioneers are, as they ought to be, more highly paid than casual labourers, whether local or immigrant, their work is always (when the men are properly handled and fairly treated) as much lower in cost as it is superior in quality to that of any other class of labour. The force has frequently been on the very verge of being entirely disbanded; but, a portion of it having happily outlived the prejudice against it as a "fixed establishment," its value is now as highly appreciated as it before was decried. The expected reinforcement of 1,000 men from the North-west Provinces of Bengal will restore the divisions to something like their former efficiency. It has been suggested to Government to increase the force of Punjabees to 5,000 men, but I submit it would be premature to do so, until the cost, and the suitableness for the service, and to the climate, &c. &c. of the 1,000 men now being raised has been tested.

Local Labour.—It might naturally be supposed that this Colony ought to produce a supply of local labour more in proportion to its wants than it does, but there are only three of the six Provinces from which we draw any. They are the southern, the eastern, and the northern, and the supply from them

is annually diminishing to so serious an extent that we can no longer depend upon it. It is, moreover, of a very inferior quality, and is becoming more expensive than immigrant labour. The native of the country has his occupations, in the cultivation of his own land, and the rural population generally are so well circumstanced (better perhaps than that of almost any country in the world) that there is little need for them to work for a subsistence. With native artificers the Colony is well supplied from its own population. Carpenters, sawyers, coopers, wheelwrights, masons, smiths, &c., &c. are abundant and good, but they can seldom be induced to leave their villages or the large towns without very high wages.

Immigrant.—As upon immigrant labour the public works and the cultivation of coffee in this Colony must mainly depend, it is by far the most important of the three descriptions I have named. Our wants at present are, as I presently will show, most inadequately met. Our requirements are annually increasing, while it is reasonably (I think) apprehended that the supply from those sources whence we have heretofore drawn it is likely to decrease rather than the reverse. The question is one which has occupied much of my attention, as it has that of most other employers of labour, but I cannot learn that any satisfactory solution of our difficulty has yet been arrived at.

Chinese.—It has been suggested to me that from the districts of China which are over-run by the Taeping rebels any number of families would gladly emigrate, to escape the devastation and misery they are doomed to in their own country. Independently of the value of such labour, the prospect of eventually getting such a people to settle in the Colony would, as it seems to me, be of incalculable advantage. They would introduce new sources of industry to the people, and would in every respect be a valuable element in the development of the country. The experiment might be tried on a moderate scale, and by degrees at first. From 30 to 50 families might be brought over by each of the Peninsular and Oriental Company's boats. If it is found to answer, and does not prove too costly, it might be carried out to a larger extent, as well by private enterprize as by the Government. But it is not so remote a field that we should altogether look for the great bulk of our immigrant labour, which, I believe, with judicious management, may be drawn from nearer sources.

Carnatics.—The men we like best for our works, after the active intelligent little Tamil of the Madoora and Tanjore districts, are what are termed "Carnatics," a fine race of men, a number of whom immigrate yearly. Mysore, the capital of their territory, is only, I believe, 75 or 80 miles from Mangalore, which might be made the port of shipment in the north-east monsoon. It is only two or three days' sail from this. With a properly organized system, I am of opinion that a good, cheap, and sufficient supply of labour might be obtained from this district.

Amount required for 1862.—The average number of days' labour required for every 100*l.* voted for the public works is about 2,000 for the works of 1862–3. 256,000 days' labour were needed, or at the rate of 10,853 daily for 300 working days. To provide for sick and absentees, from one fourth to one third more should be added, so that there ought to have been on the rolls of the department 13,566 men daily throughout last year; but in consequence of the insufficiency of labour, 13,000*l.* remained unexpended at the close of last year, which sum approximately represents 260,000 days' labour.

For 1863.—For the current year we require about 15,000 men daily. At present we have about 5,000. This latter number will increase as the season advances and the demand for labour on coffee estates declines; but I have little hope that we shall at any period throughout this year reach the limit of our requirements. Thus, I think, it is shown that a very urgent necessity exists for immediate measures being adopted for the introduction of labour for the public works of the Colony. This necessity will, I fear, be more urgent after the railway works have been resumed, the workmen generally preferring earth work to any other.

Transport.

Carts.—The supply of transport is at all times very precarious, and during the present year will be a subject of great anxiety. On an average, for every 100*l.* of money voted we require from 145 to 150 carts. For the current year we need to employ daily on the works 730 for 300 working days; but in consequence of the demand for the coffee crops, and of disease amongst the cattle, we are nearly paralyzed for want of transport, and should have been completely so but for that belonging to the department, amounting to 120 carts. 30 of these are working in Colombo, where it would have been impossible for us to have hired carts for our works. Private carts have been earning, I hear, at times, from 7*s.* to 8*s.* a day. Government has been anxious that the department should get rid of its transport establishment, and I should have been equally so, could I have placed any dependence on the market supply. I have encouraged contracts for transport whenever it could be obtained, and last year succeeded for a large portion of the work on the Kandy road. I renewed my attempt this year with less success. The officer in charge of that line apprehends the greatest difficulty in getting the contractors to fulfil their engagements.

Elephants.—Our stock of elephants is lower than it should be. I am unable to meet demands for them for building purposes. The present establishment consists of only 15 (some of those are getting old); but Government has recognized the expediency of increasing the number to 20.

Contract System.

Satisfactory result as regards Buildings.—In 1853–4 I first introduced generally the system of executing works by contract, and felt satisfied that, with due precaution, it would work well; but on my return from England in 1856 I found that it had been given up. The system was not thought well of by the several officers of the department; and it was not until I rejoined it from the Audit Office, in

1861 that I resolved finally to enforce it in all cases of public buildings. Since then it has worked most satisfactorily; and I hope Government will not again allow it to be departed from, except in particular cases, where special necessity may be shown for a work being conducted by the department.

In 1861 there were 30 works executed on contract, at an estimated cost of 4,801*l.* 19*s.* 6*d.*, the actual cost 4,588*l.* 13*s.* 7*1/2d.*, saving 213*l.* 5*s.* 10*3/4d.*

In 1862 there were 105 works, estimated to cost 19,532*l.* 3*s.* 0*3/4d.*, executed on contract for 17,860*l.* 3*s.* 6*1/2d.*, showing a saving of 8*1/2* per cent., or 1,671*l.* 19*s.* 6*1/4d.*

As regards road works, cannot be carried to same extent.—In road works we get nearly all metal broken by piece or contract work; that is, it is either broken for 1*d.* or 1*1/4d.* a heaped bushel, or, including blasting and materials necessary for that operation, at so much more. Other contracts are made for providing dépôts of metal of given dimensions and capacities. Some contracts are also given for the up-keep of unimportant lines of road; but we have not yet arrived at that stage when our principal thoroughfares can be entrusted to contractors, whose failure would entail consequences too serious to the public to admit of the experiment being tried. Bushels of metal represent so much money. The Kandy road alone consumes about a million bushels a year; and it would be exceedingly difficult to ensure this quantity of the proper quality of stone being laid upon the road. We must, therefore, I fear, continue our present system for yet some time to come.

Roads.

New.—Only three sections of new road have been in hand during the past year, one a principal road in the Saffragam district, and two short extensions leading into coffee districts, under the "Branch Road Grant in Aid Ordinance."

Balangodde road.—The first is a continuation from Palmadulla to Balangodde of the line from Colombo through Ratnapoora, round the western and southern base of the mountain zone, to Ouvah, by the Hapootella Pass. The completion of this section of 15 miles of road in about 10 months has been one of the most satisfactory works executed in the country for many years. It is a road which has been long asked for by the natives of the district, whose unvarying loyalty and good conduct well merited the favourable consideration of Government, the more so as so little of the public revenue had ever been devoted to the improvement of their district; but when, in addition to the claims of the natives, the wants of a rich newly opened coffee district were to be subserved by the opening of this line, there could not, I think, be any justification for the work being longer postponed.

Knuckles and Dimboola roads.—An extension of a road of little less than four miles has been made towards the Knuckles coffee district, and another of about five miles has been in hand in the Kotmale district, leading to Dimboola. Both of these works have been longer in hand than could have been desired, in consequence of the scarcity of labour.

Old roads.—It will be seen that there are of principal and public roads (distinct from minor roads, with which this department has no concern)—

560 miles of metalled road.
457 miles of gravelled road.
1,353 miles of ungravelled road.

Complaints have recently been made of the condition of some of the roads; but, considering the extraordinary disadvantages under which they were placed last year, it ought to be a subject of congratulation to the Colony that they were in a state to bear the trial as well as they have done. The most valuable season for the collection and preparation of materials for road repairs is during the dry months from January to June, after which, on the setting in of the rains, those materials are laid down with economy and advantage; but last year, in some instances, work was not commenced until the expiration of three of our best months. Then to a scarcity of labour was added one of the most continuous wet seasons ever known here. From the 1st of July to 31st December there were 161 days of rain, and only 23 without it. In consequence of this, disease broke out amongst the draft cattle, transport became scarce and very dear, and, under the temptation of high rates, almost every cart seen upon the roads was so overcrowded, and the animals could progress with such difficulty, that in their efforts to move forward they yawed from side to side, the narrow overweighed wheels working into the road surface. As a remedy to this, it has often been suggested that weighbridges should be established at our toll stations, and that the tolls should be regulated by weight of cart. I was once very much impressed with the desirableness of adopting this check, but when in England, from 1854 to 1856, I was thrown a good deal into communication with the late Mr. MacAdam, and discussed this subject in common with many others having reference to roads, his strong advice was, "*never interfere with or hamper the carrier;*" and he pointed out to me how totally futile English legislation had proved in its efforts to protect the road surface, * by a reduction of toll rates in proportion to the breadth of the wheel. The wheels were broad and heavy, thus*, but the whole weight of load was borne on one third its width, that is, the centre 3*1/2*-inch tire. I incline to think that instead of subjecting the ignorant carter to all the imposition which would be practised on him by tollkeepers in their abuse of the weighbridge, we should be bound to make our roads sufficiently strong to bear the traffic they are subject to. After all, there must be a limit to the draft power of a pair of bullocks, and though they now draw a load of two tons I think they are never likely to exceed it. If the

present rate of tolls is insufficient to meet the wear and tear caused by the traffic, it might be generally raised. This, I think, would be better policy than any restriction placed on the weight of load, which would prove a discouragement to the use of superior cattle.

Average rate of expenditure per mile.—The expenditure on the upkeep of 391 miles of metalled roads which has been kept distinct has averaged during the year 1857. 16s. 4½d. a mile. The maximum has been 279l. 7s. 2½d. a mile on the Kandy Road; the minimum 54l. 15s. 10d. a mile on the Galle Road. The average cost per mile for all other roads (excluding from the calculation about 500 miles of coast road, in which little or no expenditure has been incurred,) has been 23l. 12s. 4½d. a mile.

Bridges.

Iron trellis.—Four of these valuable structures have been erected during last year; one of 100 feet span on the Galle road, one of 80 feet over a mountain stream in Doombera, and two smaller ones on the new Ballangodde road. 18 of these bridges, of lengths varying from 50 to 240 feet, have now been erected, and are found to be most suitable to the country.

Inland Navigation.

Canals and lakes.—Inland navigation extends along and parallel with the western coast for about 150 miles from Caltura to Calpentyn. There are also four rivers between Matura on the south coast and Colombo, which are navigable for various distances.

Rivers.—The Matura River for about 28 miles.

The Kaloogange at Caltura for about 60 miles.

The Calany at Colombo for about 45 miles.

The Gindurah for about 30 miles.

These lines of water communications are most valuable, especially the coast line, connected as the northern section of it is with our salt dépôt at Putlam. After Sir Edward Barnes' Government (he cut the Nataude Canal), this line of water communication fell into disfavour, and was allowed for many years to become closed, and it was not without difficulty that in 1851 the Government could be induced to commence the restoration of it. I am happy to say that the promises of permanent utility held out as likely to be the result of the required expenditure has been more than realized. There is now a busy active traffic on it, the tolls having increased in ten years from 293l. in 1852 to 3,152l. in 1862.

There is yet much to be done to prepare these waters for the steam power which they are destined one of these days to receive, and I trust the improvement may be progressive. In four years, from 1859 to 1862 inclusive—

	£	s.	d.
The canal tolls amount to	12,263	0	0
Expenditure to	17,416	7	1½

Cost of Work,

Great importance of, to all interests in the Colony.—The cost of work is a subject of such vital importance to every interest in the Colony, that I consider myself justified in entering upon it in this report. Idleness, incapacity, and fraud are all for ever combined to raise it; nothing so palatable to these elements of waste as an extravagant estimate, which will bear from 30 to 50 per cent. to pay for them, and it requires the continued vigilance of the Commissioner of Public Works to keep the rates within just limits. It would be difficult to determine the difference which care and economy, or disregard of them, would make in the year's expenditure of 200,000l.; not less, I believe, than from 20,000l. to 50,000l.

In my evidence before a select committee of the Legislative Council on the railway question in 1859, as to the cost of work connected with roads and buildings, and in 1861, when, as a member of another such committee on the same subject, I gave a statement of what the cost of work had been on roads, and what it ought not to exceed in the construction of the railway, I differed so extremely from the views of the officer who was then acting in the appointment of Commissioner of Roads and Civil Engineer, that my persistent efforts to save the Colony from the exorbitant prices which he and the Railway Engineer advocated, and on which the estimate for the railway was raised to nearly two millions and a quarter sterling, were attributed to self-deception and worse motives. It is therefore with satisfaction that I record the result of my operations for 1862 in proof of the accuracy of the data I have maintained.

On the new Ballangodde road the following quantities of work were executed at the prices stated opposite to each:—

180,959 cubic yards of excavation cost 5½d. a yard, inclusive of a great deal of rocky soil, estimated at 2s. a cubic yard. The cost of ordinary earth work was 3½d. a cubic yard.

2,647 cubic yards of masonry abutments laid in mortar 3s. 10½d. a cubic yard.

3,498 cubic yards of dry rubble masonry cost 1s. 4d. a cubic yard.

113 cubic yards of brick work, 17s. 7½d. a cubic yard (expensive from its limited quantity). Blasting, of which there was some very heavy, cost 52l. a mile.

The result of the great saving made on an estimate based on data far lower than that advocated in 1859 and 1861 is, that the Government feels itself justified in extending a road which was to have been only 15 miles to double that distance.

	£ s. d.	£ s. d.	CEYLON.
<i>Galmalla oya Bridge.</i> — Again, in another work, (the Galmalla oya Bridge in Doombura,) which was estimated to cost		2,919 19 0	
The expenditure has been	1,597 16 7½		
But deducting the pay of the officer (Mr. James Robertson) who built it	173 1 4		
 The cost was		1,424 15 3½	
 Showing a saving of		<u>1,495 3 8½</u>	
 But on the estimate of		£ s. d.	
The iron girders, for which a very trifling saving could be made, amounted to		2,919 19 0	
So that the portion of the estimate on which any saving could be effected was	650 0 0		
And the expenditure, minus officer's pay		2,269 19 0	
 Showing a saving of 64½ per cent., or		<u>803 15 3½</u>	
		<u>1,466 3 8½</u>	

The new works in the Knuckles and the Dimbola roads, although the cost is slightly enhanced by reason of the remoteness of the localities and difficulty of the works, exhibit the same general character as regards cost. I have thus referred to this subject, feeling strongly how much the progress of improvement in the Colony depends upon the degree of economy and efficiency with which the means set apart for public works are expended. Stronger illustrations than the two works I have instanced, and the reduction of upwards of 700,000/- in the estimate for the railway, need not be given; and, after all, these results are mainly dependent upon the rate of cost at which a cubic yard of earth work, and of masonry &c., &c., can be executed. These are, therefore, I submit, though apparently so trifling in themselves, worthy of constant and close attention.

Buildings.

Gaols and salt stores.—The public buildings of the Colony generally are in pretty fair order. The two classes of them which at present call for most urgent attention are a few small-class gaols, and salt stores at all our salt depôts. A new gaol for Galle has been provided in the Supply Bill for this year, and I hope next year may see several other stations similarly provided for. As regards salt stores, differences of opinion exist as to the description of buildings best calculated for the purpose. Some revenue officers advocate temporary stores, with cocoanut or palmira leaf walls and roofs; others desire masonry structures. Some are anxious for wooden ones. There can be no doubt that the preference should be given to the latter; no masonry will withstand the deteriorating effect of salt on it, and the system of storing salt in compartments of given capacities, directed to be adopted by the Secretary of State, can only be properly carried out with timber stores, which, when once saturated with brine, become almost imperishable. Three stores of this description were built at Putlam a few years ago; their cost was excessive, and probably some details of their plan and arrangement may admit of modification and improvement.

(Signed) T. SKINNER,
Commissioner of Roads and Civil Engineer.

Commissioner of Roads and Civil Engineer's Office,
Colombo, 24th February 1863.

Commissioner of Roads and Civil Engineer's Office,
Colombo, June 10, 1863.

Sir,
I regret that my long absence from Colombo at the early part of this year, and the heavy pressure of other urgent claims upon my time, have contributed to delay the transmission to you of the usual report of the public works for 1862, which I now do myself the honour of herewith forwarding.

Roads, Streets, and Bridges.

Under the foregoing heads there was voted for the year,—

	£ s. d.	£ s. d.
From General Revenue	110,370 3 11	
" Road Ordinance funds	19,393 1 7	
" Private contributions under Grants in Aid		9,094 15 10
Ordinance		<u>138,858 1 4</u>

CEYLON.

Of the foregoing, in consequence of scarcity of labour and other causes, there was expended only,—

	£ s. d.	£ s. d.
From General Revenue	87,219 1 8½	
" Road Ordinance funds	17,122 15 10½	
" Private contributions under Grants in Aid Ordinance	7,659 16 11¼	
	<u>112,001 14 6½</u>	
Leaving an unexpended balance of	26,856 6 9¾	

Less Expenditure.

	£ s. d.	£ s. d.
From General Revenue	23,151 2 2½	
" Road Ordinance funds	2,270 5 8½	
" Private contributions	1,434 18 10¼	
	<u>26,856 6 9¾</u>	

The new works on hand during the year, and the expenditure incurred on them, are as follow :—

<i>Western Province :</i>	<i>£ s. d.</i>
Opening 15 miles of new road from Palmadulla to Ballangodde	8,550 13 11¼

<i>Central Province :</i>	
Opening a new road from Maddool Kelle to Kooloogange in Doombera	3,603 9 4½
Opening a new road, the Pusilawe line towards the valley of the Poondooloya in Kotmalie	3,556 11 11
Completion of road from Madawelle to Rajawelle in Doombera	611 8 1¼
Completion of Ratolle road in Matelle (settlement of an outstanding claim)	273 0 2

<i>Northern Province :</i>	
New road from Kodegomoe to Poottoor	429 19 2
Road from central roads towards Mullativoe	138 2 1¼

The expenditure on canals and inland navigation during the year has been 4,285*l.* 17*s.* 7½*d.*, and I am happy to state with the best effect. The northern canals between Colombo and Putlam have been kept in a state of efficiency, the traffic having increased on them to an extraordinary extent

	<i>£</i>
The canal tolls rented in 1862 for	3,152
In 1852 they yielded only	293
	<u>2,859</u>

Showing an increase of 975¾ per cent. in ten years.

For the improvement and upkeep of roads a sum of 95,993*l.* 15*s.* 10¼*d.* was voted, but in consequence of the scarcity of labour the expenditure amounted to only 85,738*l.* 11*s.* 4½*d.*, showing a deficiency of expenditure (not a saving) of 10,255*l.* 4*s.* 6*d.*

The average expenditure on metallised roads may be stated to have been about 106*l.* a mile; the maximum, on the Kandy road, about 280*l.*; the minimum, on the Galle road, about 55*l.* The average cost of all other roads has been about 24*l.* a mile.

In consequence of the continued rains of 1862, and the scarcity of labour up to December last, the roads generally had suffered to some extent; but the wet weather having been general throughout the Island during the first four months of the present year, and the scarcity of labour having increased, many roads (particularly the principal one in the Colony between Colombo and Kandy) have suffered very severely.

New Bridges.

	<i>£ s. d.</i>
On this description of service there has been expended	4,730 19 1½

<i>Western Province :</i>	
The principal item in this Province under this head was a jetty at the port of Colombo	760 10 2½
And on two small bridges	198 19 9

<i>Southern Province :</i>	
An iron trellis bridge on Galle road at Dodandowe about six miles from Galle	1,313 15 0

<i>Northern Province :</i>	
On the Kanagarian Aar bridge undertaken last year	236 6 9¾
On temporary bridge for the use of post office runners	23 12 5½

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Central Province :—

An iron trellis bridge in Doombera	- - - -	1,597	16	7½
Completion and repair of other bridges of minor import	- - - -	4,934	3	11
Of new buildings the following have been undertaken, and a sum of 5,041 <i>l.</i> 19 <i>s.</i> 10½ <i>d.</i> expended on them.				

Western Province :—

		£	s.	d.
The customs warehouse and landing jetty near St. John's River	- - - -	0	2	0
The new civil hospital at Colombo	- - - -	1,821	15	0
The Singhalese church at Hulsdorp	- - - -	242	3	3½
A grain shed at Barberyn	- - - -	79	17	6
The new court-house at Hulsdorp	- - - -	7	6	6
The completing the new court-house at Hulsdorp	- - - -	188	17	4½
The new pauper hospital at Colombo	- - - -	1	9	6
		<hr/>	<hr/>	<hr/>
		2,341	11	1½

North-western Province :—

A new court-house at Korngalle	- - - -	59	4	4½
Two salt stores in the Putlam district	- - - -	3	1	10
Do. do. do.	- - - -	1	0	6
A new house, &c., for the Assistant Government Agent at Putlam	- - - -	690	0	0
		<hr/>	<hr/>	<hr/>
		753	6	8½

Eastern Province :—

A new office and store for the Assistant Civil Engineer at Trimcomalee	- - - -	191	19	4
The light-houses at Foul Point and Round Island	- - - -	844	3	8½
		<hr/>	<hr/>	<hr/>
		1,036	3	0½

Central Province :—

A church at Dellotte	- - - -	168	0	0
A residence for the Superintendent, cinchona garden at Nuwere Ellia	- - - -	99	19	0
A hospital in Badulla for estate coolies and paupers	- - - -	100	0	0
A cutcherry at Matelle	- - - -	443	0	0
A parsonage at Matelle	- - - -	100	0	0
		<hr/>	<hr/>	<hr/>
		910	19	0

Having, in my annual report on the condition of public works and of the department, dated 24th February 1863, forwarded with my letter No. 198, gone into full details in respect of them, I do not deem it necessary to trouble his Excellency the Governor with a fuller report on the present occasion.

I have, &c.
(Signed) T. SKINNER,
Commissioner of Roads and Civil Engineer.

Enclosure 3 in No. 22.

Sir,
Surveyor General's Office, Colombo, February 11, 1863.

In compliance with your circular of the 28th February 1862, I have the honour to forward "A full and comprehensive report of the state of the Survey Department, and the progress made during the past year." *

In dealing with the subject I propose to give the results of the survey operations by Provinces, in the first instance, and in the next to advert to the present state of the department. Appendices† A. and B. are attached to facilitate reference, and afford full explanation under both heads.

Central Province.—The sales in this Province during 1862 have proved far more satisfactory in a financial point of view than in any preceding year. Since 1859 the average acreage annually sold has been between 10,000 and 11,000 acres, at the price of 1*l.* 8*s.* per acre, but in 1862 there were 9,545 acres disposed of for 23,238*l.*, being at the rate of 2*l.* 8*s.* per acre, an advance of more than 70 per cent. on the previous value of land.

The localities of the sales were chiefly, Happotelle, where 2,460 acres (at the rate of 4*l.* an acre) were added to the list of nearly 12,000 previously sold; and Badulla, where 1,126 acres brought 2,457*l.*

* Not printed.

† The Appendices are not printed.

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The districts of Deek Oya and Ooda Puselawe have also been favourite sites for investment in 1862; the first almost a new one; the second an old one. The former was long unnoticed, on account of its contiguity to the poor soil of Ambegomua, but as it is now found to be of a superior nature, 1,600 acres have been sold at the upset price of 1*l.* In the latter, land laid out four years ago remained on hand till 1862, when every acre available at once met with purchasers and even competition, 1,702 acres bringing 2,932*l.*

Matelle was remarkable for one lot of 248 acres being sold for 1,700*l.*

Comparing the statistical results of the Deek Oya sales with the rest, I may remark that good forest land in the Central Province is worth 1*l.* an acre where there is no road, and double or treble the value where a road already exists.

Western Province.—A great difference is noticeable in the character of the land transactions and surveys of the Central and Western Provinces, for whereas in the former the disposal of Crown lands forms nineteen-twentieths of the entire business, the cutcherry of the latter is concerned to the extent of half the acreage disposed of in dealing with encroachments, with lands granted at half valuation, or wholly relinquished to claimants after 30 years' possession, on the payment of fees for title deeds, and with the settlement of those lands granted to natives on deposits of money in 1844, but in return for which deposits the promised surveys and deeds have been till recently, from a paucity of surveyors, unavoidably withheld.

Of Crown lands, 3,778 acres have been sold for 6,217*l.*, or at the rate of 1*l.* 13*s.* per acre; of encroachments, 682 acres for 1,055*l.*; of lands granted at half valuation, 770 acres for 967*l.* In addition to which, 272 of the grants of 1844, containing 1,977 acres, were settled by the Government Agent, and 1,181 lots, containing 3,056 acres, were given over to squatters, on the score of long possession.

The total transactions amount to 2,347 lots, representing 10,267 acres, for which 8,735*l.* have been paid.

Eastern Province.—The survey operations in this Province, and indeed for the past four years, have been wholly confined to the Batticaloa district, with the exception of a few lots at Cottiar, and part of the town of Trincomalee. Altogether, during that time, more than 21,000*l.* have been received in the gross from a country where land has rarely exceeded the upset price of 1*l.* In 1862, 207 lots, including 915 acres, were sold for 1,023*l.*; and encroachments of 314 acres were disposed of for 412*l.* 581 acres were granted at half valuation for 513*l.*, and 1,497 acres in consideration of the survey fees, free of other charge, to squatters who could prove long possession. On the whole 536 lots, containing 3,308 acres, brought 1,948*l.*

Southern Province.—This is the Province where the highest rate for land has been obtained, although the acreage sold is small compared with that of other Provinces. The return shows that 241 acres in 85 lots were sold for 2,876*l.*, 96 acres alone, in the Girreway Pattoo, under the influence of the irrigation works, producing 2,062*l.*, or 21*l.* an acre. These are old paddy lands, called Mallapalle, held under licence from Government, and now sold as a set-off against the expenditure of the irrigation works. Owing to the certainty now held out of annual cultivation, whether the season be dry or wet, some lots at Maracadde reached the high figure of 40*l.* to 50*l.* an acre.

North-western Province.—In this Province the receipts have been 1,916*l.* for 1,386 acres. No surveyor having been at work there till the latter end of the year 1862, these acres formed part of the stock in hand at the cutcherry, and were sold on re-advertisement. They were situated chiefly in the Chilan district, and are most probably intended for cocoanut gardens.

Northern Province.—The result has been very small last year in this Province. It is true only one surveyor has been employed in the Jaffna peninsula, but his expenses have not been covered by the total receipts, only 424*l.* appearing in the return, against an expenditure of 469*l.*

The proportion of sold acres is small compared with those advertised, being as 151 to 399; and this is referable in some measure to the practice of raising the upset price of waste lands to 2*l.*, 3*l.*, and even 5*l.* an acre; a system not pursued in the Western and Central Provinces.

At the desire of his Excellency the Governor, the boutiques of Amwadhapoora have been laid out for sale, but will not be brought to account until 1863.*

Another source of income distinct from the above is the charge of fees on account of surveys, which last year reached the amount of 5,405*l.* throughout the Island.

In addition to the surveys of lands for sale and settlement, other operations of the Survey Department were performed which require notice.

The Temple lands survey was restricted in 1862, owing to other pressing demands, to one surveyor, who unfortunately, in the unhealthy district of Dambool, contracted an illness which prostrated him for 2½ months. However, there were forwarded to the commissioners, for their authentication, 2,763 acres in 213 lots, appertaining to 41 temples.

The survey of the railway line, of the roads and rivers near to it, and the private properties through which it runs, has been carried out last year from the 36th mile to the 71st. In this stretch of 35 miles, throughout a difficult country, 560 properties have been laid out, and this completes the question of the survey of "the lands adjacent to the railway."

A separate and distinct branch of the duties of this department consists in carrying into effect the 86th clause of the New Road Ordinance, respecting the erection or repair of any building on the highways. I may say this clause is now perfectly understood in Colombo, in consequence of its having been translated into Singhalese and Tamil, and copies affixed to police stations and other parts

* The ancient capital of the island, grand as it is in ruins, cannot now be dignified with the name of even a town. A few boutiques or petty shops are alone to be seen amidst its ancient architecture.

of the town. 75 "notices to build" in 1862 were forwarded to this department, through the Chairman of the Provincial Road Committee, and have been attended to. But while the effect of the clause will be undoubtedly the prevention of future encroachments, unfortunately for the convenience and sanitary condition of the town, every block of houses abounds with encroachments of so old a standing that the removal of them would inflict hardships on present occupants, and at the same time entail on Government both labour and difficulty, and nothing satisfactory after all could be proved against claimants without a new survey of Colombo. Financially this work would be unremunerative; yet it seems somewhat inconsistent, that while this department has a survey of almost every town of large or small note in the island, that of the metropolis has never been attempted, except in former times in isolated blocks, which when put together as a whole are entirely unreliable.

In concluding the history of the field operations, I should remark, that no trigonometrical observations, except for minor points, were carried on last year, in consequence of every effort having been made to bring the waste lands into the market.

Turning now to the office in Colombo, I have to report that preliminary plans of 28,417 acres in 4,063 lots were forwarded in 1862 to the several Government Agents, and the same were all inserted in the record plans, as well as the roads and paths connecting them with fixed points or old surveys. The extent would seem small in any country where waste land is abundant, but as a real test of the labour the number of lots is a better guide. Omitting the Central Province lots for coffee, and those in the North-western Province for cocoanuts, the remaining 3,000 range from quarter of an acre to six acres or so in area.

The agronomical map for the International Exhibition was the production of native draftsmen, at the cost of about 200*l.* It has been handed over to the Statistical Department of the War Office, which has the charge of all maps, foreign or colonial, that can be collected, and where, no doubt, it will be turned to more utility than if restored to Ceylon.

A large section of the drawing department is devoted to the preparation of title deed plans. These are drawn in triplicate; and as last year 2,540 sets, covering 21,558 acres, were furnished to the Government, it follows that no less than 7,620 plans of this description were issued by this office, absorbing the labour of 14 draftsmen.

It is these plans which really show the progress of the property survey; and from the method by which they are accurately defined on the ground, in connection with trigonometrical points, all the surveys made since 1856 are fit for any land registration scheme, should such be ever inaugurated. As I have already had the honour to report, 49,614 properties in the Western, Central, and Eastern Provinces might be forthwith placed in the hands of registrars, a large number with clear titles, and the rest in an advanced state for adjudication, so far as surveys and the collection of full local information, can make them.

Having now detailed the history of the survey operations, both in field and office, it remains for me to advert to the general state of the department.

Twenty-three surveyors were employed in the field, and 38 draftsmen, computers, registrars in office, making altogether 61 in number, and the cost, including every item, was 17,883*l.* If against this expenditure be placed the receipts from the sales and fees, which amount to 45,300*l.*, a balance of revenue is the result of 27,417*l.*; a larger surplus than has ever appeared, 10,000*l.* of which are due to the greatly augmented value of lands in the Central Province. As the total number of acres alienated from the Crown lands in 1862 was 25,302, it follows that the Government, after defraying the entire expense of the Survey Department, by whose exertions a property map of the chief districts of the Island is in process of compilation, reaps, in addition, rather more than 1*l.* for every acre sold, granted, or dealt with as an encroachment.

It may be interesting here to note how far the survey operations repay the cost of the establishment, independent of the value received from Crown lands, giving it credit only for the sums received from fees and encroachments, &c. I include encroachments because it is manifest that encroached lands, if not discovered by the surveyor, and placed for settlement in the hands of the Government Agents, with all particulars, would after 30 years, according to the Ordinance, become the property of the successful squatters.

Taking then the gross expenditure at 17,883*l.* and omitting cost of such special services as railway survey 1,005*l.*, survey of temple lands 616*l.*, Mr. Saunders' half salary 140*l.*, and for the town inspector's salary 150*l.*, we have an outlay of 15,972*l.*, against the receipt of 10,125*l.* But it should be observed, on the other hand, that it is only in two Provinces, the Western and Eastern, where encroachments and grants are dealt with at present on anything like a large scale. In the Central the difficulty of proving native encroachments is almost insuperable, from the absence in general of any documentary title, and the peculiarity of the land tenures.

But as an instance that these sources, when dealt with, more than repay the cost of survey, I will quote the results of the operations in the Allootcoor Korle. During four years 25,000 acres (including 4,100 acres of Crown land) were surveyed for 3,500*l.*, and the sum of 7,500*l.* has already accrued from the encroachments and fees, without reckoning on a large area that yet remains for settlement.

I look upon this as a point of great consequence, inasmuch as it shows that for covering the expenses in future of this department the Government need not look solely to the sales of the forests in the interior, more especially if a scheme of registration of land is instituted, when necessarily every property throughout the Island will come under revision, for the purpose of settlement, similar to that now in practice in the Western Province.

No criterion is afforded of the extent of the general demand for the acquisition of lands by means of the applications made to the cutcherries. It is proved, partly by them, but principally by

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the statistical returns, that it is the presence of the surveyor on any spot that causes the requisitions for surveys. While in four years 48,800 acres were applied for in the official manner, 79,500 acres have been actually sold (independent of all encroachment, &c. settled). The difference of 31,000 acres may be referred to the active exertions of the surveyors, and the desire that actuates them "to show a good book at the end of the year."

In support of this I may quote as an example the case of the Kurnegalle and Dambool road. Wishing to have this road inserted in the record map, I directed one of my native assistants to traverse it, and survey such applications as might be made to him, on or near the road side; and no less than 69 lots containing 221 acres have been the consequence, and this on a road where I should have thought half a dozen rather a marvel.

I cannot close this report of the state of the department without referring to the health of its officers. In most other departments of the Government, whenever sickness or leave causes absence, some substitute can be provided, or at least the routine work can be carried on; but if a surveyor is absent from any reason, the work he is engaged in necessarily comes to a standstill, from the very nature of his employment, which is all personal labour. On the whole the health of the field men has been good, with the exception of three assistants. One has gone home for the third time on sick-leave, after the long career of 19 years; a second has unfortunately had his eyesight so seriously impaired from exposure to the sun, that he has been ordered to Europe; and a third has, from a severe fall at dusk over rocks, so injured his knee that it is doubtful if he can ever resume his duties.

I have, &c.
(Signed) CHAS. SIM.

Enclosure 4. in No. 22.

CENTRAL SCHOOL COMMISSION.—REPORT.

The Central School Commission beg leave to submit to the Legislative Council the following report of their proceedings during the past year (July 1, 1861,—June 30, 1862).

2. The consideration of applications for grants-in-aid, and of various points in connexion with the rules under which those grants are administered, has occupied a great portion of the time of the Commission during the past year.

3. As stated in the seventh paragraph of the last report, it was determined to extend to all schools (including those conducted on behalf of the Commission, by the missionary bodies at Jaffna), the rules relating to religious instruction as laid down in the rules for grants-in-aid of 5th February 1861.

4. Every effort was made by those interested in missionary undertakings in Jaffna to induce the Commission to except the Jaffna schools from these regulations, which, in their opinion, it was their bounden duty to maintain in accordance with the terms of their constitution, as laid down in the Minute of Government of 26th May 1841.

5. The correspondence which is given in the Appendix* will place the Council in possession of the views entertained on this subject by the missionaries of the Northern Province, on the one hand, and the grounds on which the Commission, on the other, felt unable to concur in those views.

6. The negotiations on this subject resulted in a continuance of the relations subsisting between the Commission and the Roman Catholic and the Wesleyan Missions, and a severance of those subsisting between the Commission and the Church Missions at Jaffna.

7. The Commission regretted that this connexion, which had existed for 18 years, should be thus brought to an end; but they are glad to find that the discontinuance of the Government grant will not affect the principal school, the Chundicully Seminary, conducted by that mission at Jaffna, which, they understand, will be carried on by the aid of funds supplied by the parent society in England.

8. The principles on which it is the wish of the Commission that the schools in Jaffna, now aided by Government grants, should be conducted, will appear on reference to the letter, which will be found in the Appendix, addressed to the Acting Inspector of Schools, when about to proceed on a tour of inspection in the Northern Province.

9. A schedule of the grants made to private and other schools is given in the Appendix. The total amount now given under this head is 746l. 10s. (exclusive of grants for books, maps, furniture, &c.) This sum will possibly be increased before the end of the year, by the sanction of applications for aid which are now under consideration.

10. The Commission will now proceed to give an account of their labours in connexion with the Government schools in the Island. Of these the Colombo Academy (with the connected institution, Queen's College,) claims the first notice.

11. The result of the last examination in connexion with the University of Calcutta was as follows:—At the first examination in Arts, one candidate from Queen's College presented himself, and passed; for the entrance examination, 12 candidates were prepared at the Academy, of whom seven passed.

12. The number of pupils attending the Academy continues to increase. To meet this increase his Excellency the Governor was pleased, on the recommendation of the Commission, to apply to the Secretary of State to appoint a graduate of one of the English universities as an assistant master in the Academy. The Commission have received information of the appointment of Mr. George Stewart, M.A., of Christ Church, Oxford.

* The Appendices to this Report are not printed.

13. The reports of the Acting Inspector of Schools give full information as to the state of the central, elementary, and mixed schools throughout the Island.

14. The state of the Kandy Central School has appeared to the Commission to call for great and radical improvement. To effect this, application has been made to the Secretary of State to appoint a trained English teacher to take charge of this school, and Mr. Stephen Tanswell Taylor has been appointed accordingly.

15. Miss Paltridge has been appointed principal teacher of the Colombo Girls' School, of which she had for some time had temporary charge.

16. The Kandy Girls' School has been placed under the charge of Mrs. Edleston, during the temporary absence of Miss Tate, who has been compelled by ill-health to return to England.

17. It is highly satisfactory to find that the vernacular schools in the Western Province show signs of permanent improvement.

18. Since the date of the last report, the following schools have been opened:—A vernacular girls' school at Katukurunda; mixed girls' school at Negombo and Matelle; a vernacular boys' school at Pantura; and a mixed boys' school at Gomegoda in Lower Dumbara.

19. And since the same date the vernacular schools at Pantiya, Paranagama, Palugama, Kumbalwela Palata, Passara, Dumaladeniya, Calpentyn, and Odepancare have been closed, as they did not realize the expectations of the Commission.

20. The report of the examiners for the mathematical prize will be found in the Appendix. The mathematical prize for this year has been gained by Mr. S. Nevins, of Jaffna.

21. The Commission regret to find that there will be no candidates this year for the Turnour prize.

22. The junior Queen's scholarship has been awarded, in accordance with the report of the examiners, to Mr. Frances Beven, of the Colombo Academy. It has not been in the power of the Commission to award the senior Queen's scholarship, as none of the Ceylon candidates at the last examination for entrance into the university of Calcutta succeeded in obtaining a place in the first division.

23. The Honourable R. T. Pennefather has been nominated by his Excellency the Governor an additional member of the Central School Commission; and the nomination has been accepted by the Commission, as required by the Minute of 27th March 1841.

24. On the 31st of December 1861 there were 106 Government schools in operation, which had on their rolls at that date 5,807 pupils, with an average daily attendance for the year 1861 of 4,549 pupils. At the close of the year 1860 there were 5,679 pupils, with an average daily attendance of 4,484.

25. It will be observed that the increase in the number of pupils attending the Government schools is only nominal; and the Commission regret to find that the returns of the whole Island show a decrease of 1,037 in 1861, as compared with 1860, the number of pupils attending school in 1861 being 27,914, and in 1860 28,951.

The Commission are unable to arrive at any conclusion as to the probable cause of the decrease, which, though not large, has attracted their attention, from the fact that the returns from 1855 to 1860 show, year by year, a steady increase in the number of pupils, such increase being in 1860, as compared with 1859, no less than 3,823.

26. The per-cent-age of scholars who have attended the same Government school, to the whole number of scholars on the books at the close of 1861, is as follows:—

	Less than One Year.	One Year, and less than Two Years.	Two Years, and less than Three Years.	Three Years, and less than Four Years.	Four Years, and less than Five Years.	Five Years and upwards.	
	36·08	23·62	18·78	10·40	6·28	4·84	

27. The following table shows the per-cent-age of children of the different ages from "under five" to "over fifteen" in the several classes of schools:—

Schools.	Under Five.	Between Five and Six.	Between Six and Seven.	Between Seven and Eight.	Between Eight and Nine.	Between Nine and Ten.	Between Ten and Eleven.	Between Eleven and Twelve.	Between Twelve and Thirteen.	Between Thirteen and Fourteen.	Between Fourteen and Fifteen.	Over Fifteen.
Colombo Academy - Superior Schools - English Schools - Mixed Schools - Vernacular Schools -	„ „ „ „ „	„ „ „ „ „	·29 1·41 1·03 ·50 ·09	1·73 2·83 4·29 1·70 4·49	2·89 3·54 6·95 6·23 9·51	4·35 7·80 8·43 6·49 14·10	7·83 5·67 14·49 9·83 11·57	9·56 11·34 15·38 13·80 16·12	14·49 9·22 13·46 11·40 12·72	10·43 11·34 9·02 8·12 12·38	13·3 11·34 9·02 8·12 6·74	35·07 39·00 19·23 26·46 4·73 6·12
Superior Girls' Schools - Mixed Girls' Schools - Vernacular Girls' Schools - Total -	1·19 3·25 2·06	5·07 10·06 9·05	6·56 13·02 12·75	8·06 12·13 12·75	10·44 10·65 14·40	12·83 13·61 17·28	12·24 6·51 10·29	12·53 7·69 12·34	10·74 10·06 2·06	9·25 3·25 5·76	6·86 5·62 8·2 6·86	4·18 4·14 4·1 15·34
	·52	1·96	3·96	6·87	9·77	9·72	12·79	10·65	12·56	9·	6·86	

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28. Financial and statistical returns, similar to those appended to the last report, will be found in the Appendices. To these has been added a return showing the nation and religion of the pupils attending schools aided by Government

29. The expenditure on account of education in 1861 amounted to 14,306*l.* 12*s.* 2*½d.*, showing an increase of 941*l.* 9*s.* 10*¼d.* as compared with 1860, when the expenditure was 13,365*l.* 2*s.* 4*½d.*

30. The following statement will show the amount voted, and the amount expended, on account of education, in each of the last five years:—

Years.	Voted.	Expended.
	£ s. d.	£ s. d.
1857	11,347 11 8	9,275 18 5
1858	11,409 5 0	10,318 9 6½
1859	14,062 4 8	12,723 9 11½
1860	14,700 18 5	13,965 2 4½
1861	16,475 6 8	14,306 12 2½

31. The sum of 16,674*l.* 6*s.* 3*d.* has been voted for the current year, and the educational estimate for 1863 amounts to 16,063*l.* 17*s.*

32. The amount realized by school fees in 1859 was 1,691*l.* 10*s.* 8*¾d.*; in 1860, 1,997*l.* 2*s.* 4*d.*; and in 1861, 2,054*l.* 11*s.* 11*d.*, to which must be added 95*l.* 3*s.* 8*d.*, being receipts on account of stationery, showing an increase in the receipts from schools in 1861 as compared with 1860 of 152*l.* 13*s.* 3*d.*, and as compared with 1859 of 458*l.* 4*s.* 10*½d.*

33. The thanks of the School Commission are due to the Government for the notification which appeared in the Government Gazette of the 30th November last, instituting "Local Examinations."

The notification and the regulations framed accordingly by the School Commission are given in the Appendix.

34. The thanks of the Commission are also due to the Government for the favourable reception which has been accorded to their representations of the disadvantages under which the teachers of this department labour as regards pension, in consequence of the omission of the Educational Establishment from the Ordinance No. 1. of 1858.

35. During the past year the Commission have revised the courses of instruction in the Government schools. The result of their labours will appear on reference to the prescribed courses which will be found in the Appendix.

36. But while the Commission have been thus occupied during the past year, in endeavours to provide for the people of this Colony a better and a sounder education, they have been unable to divest themselves of the conviction that very little has been done towards providing for the real education of the people, notwithstanding the large annual increase in the grants for education, which already swallow up a larger proportion of the revenues of the Colony than that which the educational votes in England and India bear to the revenues of those countries respectively. And the reports of the inspector, on applications for grants in aid, preclude the hope that an extension of the system of grants-in-aid will provide for this want.

Colombo, 30th June 1862.

Enclosure 5 in No. 22.

SIR,

Government Agent's Office, Colombo, April 14, 1863.

I HAVE the honour to forward herewith my annual report for the year 1862.

Copies of the reports of the assistant agents of Kaigalle and Ratnapoora are also enclosed.

I have, &c.

(Signed) CHARLES P. LAYARD,
The Hon. the Colonial Secretary. Government Agent.

REVENUE ADMINISTRATION REPORT OF GOVERNMENT AGENT of COLOMBO for 1862.

Revenue.

The revenue of the year ending December 31 compares favourably with that of the year 1861, showing an increase of 2,708*l.* 12*s.* 10*¼d.*, notwithstanding a diminution in the land sales of 4,516*l.* 12*s.* 6*d.*, owing to the reduction of the establishment, and the limitation of the operations of the Surveyor General's Department almost entirely to parochial surveys.

The compensatory sources of revenue have been principally from grain, 4,818*l.* 0*s.* 10*d.*, and licences 1,936*l.* 1*s.*

Paddy Crops.—Arrack.

The crops of both the maha and yalle harvests were above the average, and an impulse was given to the competition for the arrack farms by the price of the spirit, which had ranged from 12*l.* to 8*l.* during many years, falling as low as 6*l.* 10*s.* for the leaguer of 150 gallons in 1862.

The 300 distilleries licensed during the year yielded 360,000 gallons for home consumption and for exportation. Ceylon.

Plumbago.

Royalty derived from working 241 mines on Crown lands realized 469*l.* 19*s.* 5*d.*, 1*l.* 5*s.* having been the sum realized from plumbago in 1855.

Gun and Carriers Licences.

There were 326 fewer guns and 400 fewer carts registered in 1862 than in 1861, which I attribute to the discontinuance of the practice of registering guns and carts in circuit, which became necessary on the withdrawal of the travelling allowance of a clerk. The facilities of evading these duties in the rural districts can only be effectually checked on the spot.

The increasing evasion of the duties in towns by a large portion of the traffic being carried on by mercantile firms in their own carts was brought to the notice of Government by my letter, No. 197., of 6th April 1861. It is notorious that the size of these private carts, and the great weights they carry, are more destructive of the highways on which they are employed than any of the ordinary kinds of hired conveyances which are at present taxed for their upkeep.

Season.

A remarkable distribution of the rains over the entire year, instead of being, as usual, periodical, has been characteristic of the past twelve months. The change, could it have been anticipated, might have proved of the greatest possible benefit to the agricultural interests of the country; as it was, the preparations for the cultivation of paddy lands were made as for ordinary seasons, and, except in respect of high lands, small advantage was taken from circumstances favourable to an increased production. The cheynas of the Cina and Hapitigam Korles, an unprecedented occurrence, were reaped, and yielded abundant maha crops in December, two months before the ell paddy ordinarily attains maturity, and enabled the year 1862 to appropriate profits more properly belonging to 1863.

Cocoanuts.

Not less than 2,000 acres it is probable of forest land purchased by natives from Government during the past year were planted with cocoanuts, under favour of the weather, a large portion of which, lying on the banks of the Maha Oya, besides giving employment, will restore health and comfort to the people of that fever stricken region.

Tobacco.

The cultivation of tobacco in the Alloot Coor Kole yields annually about 300,000 lbs., about 900 acres being the extent cultivated, and the market price ranging from 26*l.* to 28*l.* per candy of 560 lbs.

Health.

The sanitary condition of the Province during the year has been on the whole satisfactory. But some isolated cases of cholera, and 187 cases of small-pox in the district of Caltura, and 1,191 cases in Colombo, have been reported, and 148 deaths among the latter.

The crowding together of the native inhabitants of the towns, and the difficulty of overcoming the scruples of the Mahomedan portion of the inhabitants to vaccination, appear to be the principal causes of the frequent reappearance of small-pox as an epidemic. The Board of Health despair of all remedy until vaccination is made compulsory.

Population.

The population, from the closest approximation to a census we possess, that afforded by the householders returns obtained under the Road Ordinance, is smaller than has been supposed, but the disproportion of the sexes, always suspected, has not been sensibly reduced.

The annexed statement, which does not include the migratory classes and Malabar coolies, shows the relative number of males and females to be 304,088 and 256,508, and the aggregate population only 560,596.

Condition of the People.

There never was a period, however, in the history of Ceylon in which the inhabitants were more prosperous, and in possession of greater personal and social advantages. Their progress in wealth and intelligence is perceptible in the extension of their landed properties, and in the construction of handsome dwelling houses, not a few of which are furnished with the choicest European comforts.

Schools.

Meanwhile about 60 Government schools and numerous missionary institutions are affording the means of moral and religious education to those willing to avail themselves of them.

In the remoter districts the Budhist priests replace both Government and missionary efforts.

Road Ordinance Funds.

The funds levied under the Thoroughfares Ordinance amounted to 13,209*l.* 2*s.* 9*d.*

The lateness of period at which the Ordinance was passed in 1861, and the necessity of conforming strictly to its provisions, prevented the whole of the commutation being collected within the three

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The contribution to the several principal roads was as follows :

	£	s.	d.
Roads within the gravets of Colombo	835	17	6
Do. from Colombo to Kandy	1,089	13	6
Do. do. to Galle	544	10	0
Do. do. to Avisawelle	348	8	3
Do. from Negombo to Geroella	195	15	0
Do. do. to Veyangodde	228	9	9
Do. from Avisawelle to Karewne Elle	159	8	3
Do. do. to Pelmadulla	457	10	9
Do. from Pelmadulla to Gorokundere	504	4	6
Do. do. to Rakwane	146	2	9
Do. from Balapane to Yatteantotte	61	8	6
Do. from Colombo to Cottah	113	10	3
Do. do. to Topoe	203	14	9
Branch roads in Negombo	50	12	6
Canal from Colombo to Kaymel	707	12	6
Do. to Cultura	492	10	6
	<hr/>	<hr/>	<hr/>
	£6,139	9	3

and no less than 468 miles of minor roads have benefited by an appropriation to them of £1,871*l.* 1*s.* 10*½d.*, exclusive of balances of past years.

Roads.

The state of the public communications generally was satisfactory.

The unusual weather, to which allusion has been made, as well as the heavy traffic on the Kandy road, rendered it difficult for the department of the Commissioner of Roads to preserve it in its normal excellent order. The consequent inconvenience, the subject of loud public complaints, it is expected, will prove only temporary, and before the lapse of many months be entirely remedied.

The road from Ballapau to Ruanwelle, commenced in 1840, has not yet been completed. The connexion of the three and four Korles and the Kandy and Ambegamoa roads by this great branch is a matter of the highest importance, as when the railroad is finished it would contribute largely to its support. I have to urge upon Government the often-repeated recommendation of the District and Provincial Road Committees, that this work should engage their earliest attention.

Ruanwelle - £147 There is a toll levied on this road, at present realizing 169*l.* per annum, which Avandere - 22 might be trebled were the several streams, which are an impediment to the use of £169 carriages properly bridged, as, with the exception of the Kaluganga above Ruanwelle, they might easily be, at a very moderate cost.

The completion of the Pelmadulla road, from Openaike to Balangodde, has been a boon for which the people of Saffragam will ever be grateful, and which cannot fail, when extended to the limits of Ouvala, to benefit the coffee planters of that district, also, by enabling them very generally to convey the produce of their estates by a more direct than the present circuitous route by Nuwvera Ellia and Kandy to Colombo.

The road from Oetvankandy to Dolosbagey has been rendered practicable for carts during the year, and is very useful.

The wisdom of the maxim which guided the administration of the late Sir Henry Ward, that conferring material advantages on a semi-civilized country must prepare the way for its advancement in every other respect, has not received a better vindication than the result of his measure for extending the means of communication, and for facilitating agricultural operations, by the introduction of the Paddy Lands Irrigation Ordinance.

The stimulus to industry arising from both these sources is already influencing the character of the people in an unmistakeable manner, and may be witnessed any day in the spread of the commercial spirit, the accumulation of wealth, and in the appreciation of education, as a means of obtaining it.

In the Colombo district alone numerous works have been executed, with and without the aid of Government, which could not have been undertaken before the passing of the Irrigation Ordinance, several of which are not only rewarding the enterprize of village communities, but contribute to the public resources.

But there are works too large to be undertaken under the Irrigation Ordinance, and for which the joint action of small communities would be insufficient, which in the present prosperous state of the Island the Government might reasonably be expected to carry out (ex. gra.)

The Muturagawelle, occupying the space between the Kalany Ganga at Mutual and the southern bank of the Negombo Lake, about 16 square miles, require to be reclaimed.

Much money has been expended by the successive Governments of Ceylon on this work, which has been suspended from time to time, either for want of means or intestine commotions, but it remains unfinished notwithstanding its importance, both as regards the extension of cultivation, or augmentation of the salubrity of the neighbourhood; and the restoration of the Muleriawe embankment on the Kalany Ganga, which, together with a relieving canal on the side of the Galle road, just beyond the limits of the town of Colombo, would be the means of recovering 40,000 acres, now so constantly submerged that the people of Cottah, Nawelle, Kirillepenne and other populous villages in the Hewagam and Salpitty Korles, after the greatest sacrifices, seldom reap from them a remunerative crop.

A most interesting and valuable report by eminent Dutch engineers is to be found among the records of the Colonial Office, with a translation by Mr. Lee, which deserves consideration in connexion with the latter proposal, and might be referred with advantage to the Surveyor General, an able officer of whose department, Mr. Park, has been long employed in surveying the surrounding district, and is quite competent to test the correctness of the statements and suggestions therein made.

About 1,500 acres of ground within the limits of the Marandahn cinnamon plantation, now utterly useless and unsaleable, would share in the benefits this scheme of drainage is represented as capable of affording.

The transactions in land sales during the past year show the following results:—

—	Lots.	Extents.	Amount realized.
	No.	A. R. P.	£ s. d.
Crown lands sold - - - -	645	4,313 3 20	7,028 7 7
Lands sold at half their improved value - - -	190	712 3 26	870 17 8
Lands disposed of under Minute of 8th August 1844	267	2,055 3 13	630 3 11
Lands in respect of which certificates against the Crown are to be issued - - - -	1,165	3,069 1 27	—
Total - - - -	2,267	10,152 0 6	6,529 9 2

The decrease, in comparison with the sales in former years, has been already accounted for.

The settlement of native claims which has been promoted by the parochial surveys has been one of the most gratifying, though by the people least appreciated, duties of the Government Agent. The scrutiny into private titles is very jealously regarded, as the object is supposed to be rather the ascertainment and recovery of encroachments, which are by no means inconsiderable, on Crown rights, than any disinterested purpose of substituting legitimate possession on easy terms for irregular and precarious occupation.

The demoralizing consequence of having withheld from the people till recent years the means of honestly acquiring property in land cannot be imagined by any one who has not had the opportunity of witnessing the manner in which the possession and retention of encroachments are sought to be justified and effected.

The number of settlements, which was 1,165 in the past year, might be indefinitely increased for several years to come were an additional assistant attached to this office, and an additional clerk to the land department. A week in every month is given up entirely to settlements and land sales, and an extra clerk has been the only accession to the strength of the establishment since 1850, when the return of the land sales might have been represented as nil, and the general revenue of the Province was 47 per cent. less than at present, although, in the same interval, a system of volunteer clerks, which withdrew at once 12 hands from the cutcherry, and two junior clerkships, have been abolished.

As the cost of the collection of revenue and the general administration of the Province does not exceed 5½ per cent. of the amount collected, I submit respectfully that the time has arrived when not only the needed augmentation of the office establishment might be made, but salaries might be granted to the inferior Korle headmen, with the certainty that the proportion between the expenditure and income would only be favourably affected thereby. At the risk of being deemed impertinent I beg to draw attention to the representations contained in my letters as per margin, that the gratuitous services of headmen are more injurious than beneficial to the public interests, and that there is really no economy in not paying them, as they pay themselves at present to an extent it would be difficult to appreciate, while I believe that in the very first year of the experiment there would be more money obtained from the minor sources of revenue principally dependent on the zeal of headmen than would be necessary to purchase it.

The Government has at this moment under consideration the exemption of the petty headmen of the Kaigalle and Ratnapoora districts from taxation of their paddy lands. I have noticed on another occasion that there is inherent in that system of compensation an evil of its own. I have now to remark, that, besides being a retrograde movement, the partial exemption of the headmen of this Province would be looked upon as a grievance by those who do not share the privilege, and are just as much entitled to it, however inconvenient it might be to make the exemption general.

The people of the four Korles and Saffragam are much more lightly taxed in respect of grain than the people of the maritime districts, who commonly pay $\frac{1}{5}$, $\frac{1}{4}$, and $\frac{1}{2}$ of the crops, while the former pay only $\frac{1}{4}$, and the temptations to fail in their duty to which headmen are exposed are

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consequently much greater in the maritime districts, as it would not be desirable to place them at any disadvantage with their neighbours.

The only safe course would be to pay them all, a system which, introduced in this Province, might pave the way to its introduction in others, as soon as the state of the local revenues admitted of.

The exemption from tax in the Central and North-western Provinces, and the commission on grain allowed to head men in the Northern Province, would prevent for a time any reasonable complaint that the first steps towards an improvement in the condition of the headmen generally were taken here.

The reports of the assistant agents of Kaigalle and Ratnapoora, the latter of which was delayed till the 28th ultimo, are herewith forwarded.

The successful introduction of the Kandyan Marriage Ordinance into the Saffragam district is a very gratifying fact.

The smaller interest taken in the measure in the three and four Korles might have been anticipated, from the nonparticipation of the people in the first instance in the application to Government for the enactment of the new law, and their perfect contentment with their own customs, which, by a contagion of manners, have preserved, even in the maritime divisions bordering on the four Korles, during nearly four centuries of European domination.

In the Hapitigam Korle belonging to Colombo, and subject to the Regulation No. 9. of 1822, and the operation of the Roman Dutch Law, only 37 marriages were registered among a population of 18,000 souls between 1822 and 1851, and with increased facilities for registration afforded in the latter year only 286 have been registered since that period.

I think the assistant agent of Kaigalle is mistaken in his impression that polyandry has nearly disappeared with the abolition of compulsory labour. It exists largely both within and beyond his district, and will scarcely terminate until the people are induced to live in communities, instead of in detached families, occupying isolated dwellings in hills and in jungles, and until the disproportion of the sexes, invariably observed in countries where polyandry prevails, and which seems almost to excuse the practice, is corrected under the influence of civilization and good laws.

While polyandry is, however, the practice of the majority of the inhabitants who are extremely poor, it must be admitted that polygamy is occasionally practised by the rich, and there can be little doubt that the passing of the Ordinance No. 13. of 1859 will prove, if not an immediate remedy, the means of gradually extinguishing both evils.

I take this opportunity to bring to the notice of Government the great disappointment felt, and expressed by the classes affected by the Regulation No. 9. of 1822, that the amendment of that law, as contemplated in the last sessions of the Legislative Council, and recommended by a sub-committee of that Council, has been suspended.

(Signed)

CHARLES P. LAYARD,

Government Agent.

Enclosure 6. in No. 22.

SIR,

Jaffna Kutcherry, April 27, 1863.

I HAVE the honour to forward the annual report required of me for 1862.

Because this is the first report of the kind that I have made, and because, as it seemed to me, no just conclusions could be founded on a comparison limited to the years 1861 and 1862, I have, as regards those subjects to which these observations apply, taken as my starting point the date to which the statements appended to my letter to the Secretary of State of the 16th January 1858, Appendix F.* to the report of the select committee of the Legislative Council on the fixed establishments of the Northern Province, extend those statements, as regards the particular subjects referred to, being in fact of the like character as this report.

I ask attention in particular to the increase in the revenue

It is true that though the amount of the revenue is so satisfactory, as compared with that of former years, yet its actual amount, considered abstractedly is small, but I can never omit, on occasions like this, to remind the Government that the comparatively backward condition of the Jaffna district is the direct consequence of the measures of Government in respect to its staple trade of tobacco.

Nor can I refrain from noticing, on this the first occasion of my furnishing an annual report, that while the professed object of the Government in having recourse to the measures referred to was the benefit of the people of this district, no part of the very large profit derived by the Government for many years from the adoption of those measures, at the expense of the ruin of the interests of this district, was applied either to the remission of taxation within it, which might have assisted its people to bear up against the ruinous effects to them of the Government measures, or to the prosecution of public works within the district, one or other of which measures would seem to have been the natural application of those large profits, which, as professed, the Government of that day, acting in the interests of the people of this district, was compelled reluctantly to receive.

I have, &c.

The Hon. the Colonial Secretary.

(Signed) P. A. DYKE.

* The Appendix to this Report is not printed.

Annual Report for the year 1862.*

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The total revenue, with the exception of that from the pearl fishery, in each of the six years ending with 1856, and that of each of the six years ending with 1862, was as follows.—

	£		£
1851	40,473	1857	37,101
1852	32,987	1858	41,080
1853	33,296	1859	44,383
1854	32,180	1860	45,393
1855	39,714	1861	46,947
1856	35,612	1862	47,580

The average of the former period is	- - - - -	35,710
That of the latter	- - - - -	43,747

The increase in the latter period - - - - - 8,037

equal to 22½ per cent., which is almost exactly the rate of increase in the 12 years ending with 1856 as compared with the 11 ending with 1844.

I have used the word "revenue" above in its ordinary acceptation, but it appears to me that it is much to be regretted that in statements of this kind the receipts under the Thoroughfares Ordinance should not be included, as for the statistical purpose of showing what is levied from the people it is necessary that they should be shown.

To admit of a correct judgment being formed of the prosperity or otherwise of a Province by the test of its revenue, it is necessary that certain adjustments should also be made, to exclude receipts which are purely accidental, and totally unconnected with the condition of the Province. These are the receipts for salt sold for export to other parts of the Island and beyond sea. The sums so excluded are shown in the margin, and the great fluctuation in them must show how false conclusions drawn from statements including them must be.

The following is a table of the revenue with these adjustments:—

	Revenue exclusive of Salt for Export.	Receipts under Thoroughfares Ordinance.	Total.
	<i>£</i>	<i>£</i>	<i>£</i>
1857	36,731	4,993	41,724
1858	38,875	5,050	43,925
1859	44,005	7,646 †	51,651
1860	42,723	8,018	50,714
1861	44,605	7,342	51,947
1862	47,404	7,859	54,763

This is a perfectly truthful bona fide statement of facts, and it shows in the first column an increase in five years of over 11,000*l.*, or 29 per cent., and in the last of over 13,000*l.*, or 31 per cent.; about 2,000*l.* being on the receipts under the Thoroughfare Ordinance, and 11,000*l.* on all other heads.

The following is a condensed abstract of the particulars of the receipts in the two years 1857 and 1862:—

	1857.	1862.
	<i>£</i>	<i>£</i>
Grain	12,080	16,752
Customs	10,587	11,360
Thoroughfare Ordinance	4,993	7,359
Salt Monopoly	4,540	5,932
Arrack do.	3,285	4,951
Stamps	2,780	3,062
Tolls	648	1,078
Crown lands	196	912
Timber	704	725
Judicial receipts	546	639
Carriers	251	432
Postage	362	424
	40,972	53,626
All other items	752	1,137
	41,724	54,763

* The Appendix not printed.

† Rates of commutation raised.

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The increase under grain is attributable to the increase in the price of grain.

The revenue in the different districts was as follows:—

	Jaffna.	Manaar.	The Vanny.	Nuvenkalavia.
1857	£ 12,080	£ 1,675	£ 493	£ 1,599
1858	15,165	2,404	610	1,660
1859	18,000	3,006	745	1,913
1860	14,735	1,817	667	1,653
1861	16,773	1,968	819	2,051
1862	16,752	2,206	779	1,476

The revenue in the Manaar and Vanny districts has been much benefited by the roads which have been opened and improved. Formerly there were great differences between the prices in the interior of the district and near the coast, but prices are now equalized.

	£
The average revenue of Manaar for the six years ending with 1856 was	1,254
For the six years ending 1862 it was	2,179
The average revenue of the Vanny for the former period was	401
And for the latter	685

The absence of material increase in the customs is shown under the head of "trade" to be the effect of the state of the tobacco trade.

The increase under "Thoroughfare Ordinance" is the effect of increase in the rates of commutation; namely,—

In the Jaffna districts	from 1s. to 1s. 8d.
In others	from 1s. 6d. to 2s. 3d.

	£
The average under salt for the 6 years was	5,193
For the 6 preceding years it was	4,231
The increase of	962

is equal to nearly 23 per cent.

In connexion with tolls, the number of carts registered in 1857 was 627, in 1861, 1,023, being an increase of 396, equal to 63 per cent. in five years.

Since 1862 the alteration of the law as to the time of registering has afforded such facilities for the evasion of the law that the number has fallen off considerably.

As to the Crown lands, a surveyor was sent to the Province in the month of February 1861, after having been left for 14 years without one, notwithstanding my almost annual applications for one.

In this year the prospect as to sales was at first very promising, the lands put up selling readily, and at high prices. Subsequently there was a check to the sales, and lands put up were not bid for. The cause of this is not yet properly ascertained.

The other items seem not to require particular notice.

Grain Produce and Imports.

It has been the practice for some years past to make up statements to show this, for my information. When all the sales and other settlements of the grain revenue are concluded the probable produce is deduced from them.

These statements and the customs returns show the following:—

	Produce.	Import.	Total.
1857	Bushels. 1,731,445	Bushels. 637,343	Bushels. 2,368,788
1858	- 1,538,733	- 468,520	- 2,007,253
1859	- 1,713,954	- 625,782	- 2,339,736
1860	- 1,550,628	- 570,958	- 2,121,586
1861	- 1,592,561	- 628,255	- 2,220,816
1862	- 1,577,972	- 664,072	- 2,242,044

In this statement all descriptions of dry grain are included, and each bushel of rice is reckoned as two of raw grain.

The statement, however, does not include the large district of Nuwera Kalawia, for which I have never yet been able to obtain such information, though I have urged the matter of procuring it on the attention of several of the assistant agents.

The fact of the increase in the proportionate import of rice is of some interest. Formerly, very little rice was imported at Jaffna, the people being so poor that they preferred to buy the unmanufactured article, paddy, and convert it into rice themselves. The progressive increase in the import of rice seems to imply, either that a certain proportion of people find that they can employ themselves more profitably than in pounding paddy, or that their circumstances have so improved as to make them disregard the slight pecuniary advantage from doing so. The quantities in the six years were as follows:—

1857	-	-	-	-	-	37,412
1858	-	-	-	-	-	28,172
1859	-	-	-	-	-	26,866
1860	-	-	-	-	-	31,816
1861	-	-	-	-	-	43,960
1862	-	-	-	-	-	62,000

The following is a statement of the produce for the three districts:—

		Jaffna.	Manaar.	The Vanny.
1857	-	1,388,868	253,030	89,547
1858	-	1,284,495	225,157	79,081
1859	-	1,294,369	330,193	89,392
1860	-	1,233,232	233,689	83,707
1861	-	1,239,460	250,216	102,885
1862	-	1,230,157	255,489	92,326

The dry grain produced in the Jaffna district is almost entirely by irrigation from wells; and as that cultivation is such a peculiar feature of the country, it occurs to me to show for the Jaffna district the produce of paddy and of dry grain separately, as follows:—

	Paddy.	Dry Grain.
1857	970,246	418,622
1858	878,727	355,768
1859	857,447	436,922
1860	881,522	351,710
1861	912,343	327,117
1862	884,965	345,192

This statement of the particulars exhibits much more of variation between the different years than the statement of the totals shows.

This is, I believe, in a great measure the effect of a cause I have indicated before in remarks on statements of sales of rents, namely, that the weather most favourable to one kind of produce is not so to the other, and so, between the two, a general average is brought out.

Trade.

It is well known that the staple article of produce and trade is tobacco, and to those who have given any attention to the subject, that the trade has never recovered from the injurious effects of the measures of Government in making the trade a Government monopoly from 1812 to 1823.

Notwithstanding, however, the extensive influence the depressed state of this trade has in retarding advance in general prosperity, the whole value of the trade of the Province continues to increase.

In the 6 years ending with 1856 the average was	-	221,185
In the 6 do. do. 1862 it was	-	318,392

being an increase of 97,207*l.*, equal to 43 per cent.

The increase in 1862 in particular was small, and though there was a material increase in the foreign, there was a correspondent falling off in the coastwise trade.

The amounts in each of the last six years were as follows:—

		£
1857	-	255,666
1858	-	276,464
1859	-	340,748
1860	-	338,803
1861	-	318,905
1862	-	319,680

Early in 1861 a representation was made by his Excellency the Governor to the Secretary of State, and subsequently by his Grace to the Secretary for India, by whom a report was called for from the

CEYLON. Madras Government on the subject of the monopoly, in the state of Travancore, of the trade in tobacco, but I have not as yet been informed of the ultimate result of this attempt to get that, the chief market for it opened to the tobacco trade of this Province.

I am confident that were the existing restrictions on the tobacco trade removed there would be a considerable and rapid advance in the general trade.

As peculiar to this Province, and as calculated, perhaps, to excite some interest, I may notice the export of elephants.

	No.	Value.	Average Value of each Elephant.
		£	£ s.
The average for the 5 years ending with 1857 was	71	593	8 7
Do. do. 1862	326	3,150	9 13

The destruction of these animals in India in the mutinies, and the demand for them in railway works, have been mentioned to me as the causes of the increased demand for them, and the rise in their price.

This has been a source of considerable profit to the elephant catchers of the Manaar district.

Public Health.

There was not any thing remarkable as to this, except the prevalence of cholera for some months in a few places.

A sort of panic seems to have prevailed in a small section of the town called the Pettah, but the visitation was of a trifling character as compared with those of former years.

The deaths were as follows:—

The Jaffna district	-	-	734
The Manaar do.	-	-	141
The Nuwera Kalawia do.	-	-	20
Total	-	-	895

exclusive of immigrant coolies, of whom 222 died.

The Vanny or Mullativoe district was free of the disease, as it frequently is when Manaar is infected.

The disease is commonly introduced into that district and the district of Nuwera Kalavia by the immigrant coolies.

On the occasion referred to it was introduced into Jaffna from Colombo.

The following extract from the Appendix F. to the report on the fixed establishments, being a statement of mine, shows both the duration and mortality on occasion of former visitations of this epidemic:—

May 1845 to October 1846	-	10,600	deaths.
March 1850 to December 1852	-	10,687	"
July 1852 to September 1855	-	13,753	"

Health of Cattle.

Until so near the close of the year that the matter will properly fall to be noticed in the report for 1863, there was not much murrain amongst the cattle of Jaffna, and, as to Nuwera Kalavia, the assistant agent reports that their health was "remarkably good." There was some disease, however, in the Manaar and Vanny districts.

But, although Jaffna was free from particular disease, there was a large destruction of cattle from the inclement weather of December. In the open flat country of this district, where the cattle are for the most part small and weakly, quantities of cattle are commonly starved to death on occasions of the prevalence of such weather for more than 24 hours, by the united effects of being kept from grazing sufficiently, and of the cold of the driving wind and rain.

Reports show the following losses, but I am afraid the reports are very defective:—

	Cattle.	Sheep and Goats.
Jaffna	6,536	7,223
Manaar	553	—
Vanny	829	—
Nuwera Kalavia	—	—
	<u>7,918</u>	<u>7,223</u>

The assistant agent of the Vanny notices in his report, that from May to August or September murrain was extensively prevalent amongst the wild pigs; and on my way from the Central road to Mullativoe I saw a number of the dead bodies close to the road side. And I may here mention as of possible interest, that while the extensive paddy district of Pooneryn on the south shore of the Jaffna lake used to be so infested with pigs as to have led the people to make repeated applications that a

wall should be built of some miles in length to keep them out, there was such an extensive murrain in 1842, that ever since to this time the number of these beasts resorting to the neighbourhood of the fields is inconsiderable.

The paddy tithe of Pooneryn is now commuted for 52*l*. a year.

Vaccination.

Consequent on some communication of mine to the Superintendent of Vaccination here, imparted by him to the Principal Civil Medical Officer, some attempts have been and are still being made to improve the organization for this service, with the view to securing larger and generally more satisfactory results; but the allowances of the vaccinators are too small to secure the services of proper persons, so that no great results can be expected from these attempts.

I am merely auxiliary in the matter. Small-pox was introduced in the month of January 1862, and continued to prevail to the end of the year, up to which there had been 217 cases admitted into hospital, amongst which there were only 28 deaths. It is understood that there are not any restrictions on the opposite continent on persons affected with small-pox going abroad, or, if there are any, that they are not enforced; and, considering the great resort of the people of this district to the continent, it is rather matter for surprise that small-pox is not always prevalent here.

In a report made in connexion with the Ordinance No. 10 of 1852, I showed, from detailed returns, that there was no perceptible difference in the number of persons attacked with small-pox who had been vaccinated and the number of those who had not been vaccinated. What vaccination really does here seems to be so to modify the disease as to make it in all but a very few cases very mild and tractable.

Crime.

The decrease of serious crime, often noticed before, continues, as shown in the statement appended of cases tried before the Supreme Court. The totals of that statement are as follows:—

	Number of serious cases.	Number of persons tried on those cases.
12 years ending 1831	260	886
12 years ending 1843	225	649
12 years ending 1855	100	309
6 years ending 1861	51	121

The Government receives returns from the magistrates and district judges as to minor offences, which I do not see; but, as Fiscal, I know that the number of prisoners committed to gaol is continually decreasing.

The principal cause now of the decrease of crime I believe to be the full employment of the people.

The peace of the country is now more disturbed by caste and class disputes than by anything else. The country is in a state of transition as to the relative position of persons, and offences arising out of this cause may be expected after a time to die out. It is, however, my opinion that in the meantime acts of oppression on the part of influential persons towards those who formerly occupied a degraded position, which they are now struggling to emerge from, ought to be punished with severity.

I have omitted to notice the matter of cattle stealing, not as prevailing in Nuwera Kalavia itself, but in the adjacent districts, where, according to Mr. Morris' representations, the offence is as generally prevalent as it was in 1849, when it engaged so much attention on the part of Government.

The following are extracts from Mr. Morris' report:—

" This crime, so long the bane of this district and of the North Western Province, where, unfortunately, beyond the limits of the Dambool jurisdiction, it prevails probably in as aggravated a degree as ever, may, I think, be considered to have entirely ceased in this district, as only one case is known to have occurred since May last, and in that a conviction was obtained. I have spared no pains to effect this, and attribute the entire cessation of the crime to the use of the lash, which, though never used by me for any other offence, is, I am satisfied, from my knowledge of the people, the only means of checking this crime. It is necessary, however, to show that it is a subject never lost sight of, and for this I have desired a system of supervision, as noted in my diary, in which I have also observed that the crime has a species of fascination which makes the absolute reform of cattle stealers almost hopeless. Cattle stealing would instantly break out with the least signs of relaxation; and the frightful state of insecurity and demoralization in parts of the North Western Province, where cattle are stolen in broad daylight, and where the cattle stealers boast of their exploits in the villages through which they pass, the inhabitants of which will never, through fear of the revenge of the gangs, give evidence against the members of them, cannot but operate as a chronic excitement and inducement to the resumption of the practice in Nuwera Kalavia."

My opinion, expressed in 1849, is, that a second conviction of this offence ought to entail transportation or banishment for life.

Circuits.

From the 26th June to the 4th July I was in attendance on his Excellency the Governor, on his return from Jaffna to Kandy, leaving his Excellency at Mihintalai, and I returned through the

southern part of the Manaar Vanny, the north-east portion of the Nuwere Kalavia district, through the ancient tank Pathovie, by Mullativoe.

In the Manaar Vanny I attended partially to the usual business of circuits. In the Nuwere Kalavia districts I made myself acquainted with a small section of country I had not before been through, and at the station of Mullativoe I attended to the usual business of such visits.

I was much about the peninsula; but all my plans for further circuits of the assistant agents districts were entirely deranged by the necessity of awaiting in Jaffna the enforcement of the decision of Government as to the relations to subsist between the civil engineer and the Government Agent in respect to public works, without which enforcement I could not do what was required of me in respect to the Supply Ordinance.

And by the time I was released from this hamper on my movements, and had completed what was required of me, it was too late to go on such circuit. The year, therefore, was in a great measure lost as to this object, from the cause stated.

The usual circuits of the assistant agents were regularly made, excepting those of the assistant agent of Manaar, which were somewhat interfered with by the prevalence of cholera.

Circuit Courts.

In connexion with the matter of the circuits of the assistant agent of Manaar, I must again express my deep regret at the abolition of the practice of his holding court on circuit, and I beg respectfully to indicate that two of the objections assigned generally to the system of circuit courts, that it takes the magistrate away for a time from his station where he is accessible to all, to attend to the business of a section only of the district, and that it causes needless expense, are not applicable to this particular case, as the assistant agent does go on circuit, though he does not attend to judicial business, and the addition to the time of his absence, and the expense consequent on his attending to judicial business, is not appreciable.

Mr. Twyman writes on the subject as follows; and I beg leave most urgently to solicit that his Excellency the Governor will confer upon the people of the Manaar Vanny the boon of the restoration of the circuit courts:

Extract from Mr. Twynam's diary of the 20th September 1861:—

" It was with reference to the very large number of complaints of this nature which used to be made to me when on circuit, that I recommended the establishment of circuit courts in the Vanny.

" These courts have done an immense deal of good. They were just beginning to get into working order, and the business in them was increasing fast, showing how necessary they were. By orders received from Government they have now been discontinued, and the irregularities which they tended so much to check have again commenced.

" The people of the Vanny will put up with almost any amount of inconvenience rather than go to Manaar, as they have repeatedly told me, and they are consequently at the mercy of a set of vagabonds, the only check on whom was the establishment of these circuit courts, which have been the means of bringing many of them to book.

" Many of the people cannot understand why the assistant agent cannot enter into all their complaints regarding lands, debts, cattle seizures, &c.; and when referred to the court at Manaar say very truly:—' How can we go to Manaar, when we scarcely have the means of obtaining sufficient for our livelihood here? We should be ruined if we went to Manaar.'

" Such answers used constantly to be given to me, and are now again made to me on my referring complaints to the court at Manaar, in consequence of the discontinuance of the circuit courts.

" As assistant agent, I feel that in referring many of the parties to the Manaar court I in fact tell them there is no redress for them, as I know it is not possible for them to prosecute a case in the Manaar court.

" It would take a man one month's continued travelling backwards and forwards to prosecute a case in the Manaar court, supposing that there were no postponements at all. How, I ask, can a poor man stand this? Does it not in fact amount to a denial of justice.

" The circuit courts did not cost Government 50*l.* a year, as the only extra charges on account of them were the batta to the clerk and a peon, and at the very outside 12 days' extra travelling allowance to the assistant agent, who is obliged to make circuits twice a year on account of revenue duties; and with reference to this I have to remark, that the clerk was employed on revenue business as well as in the courts, and it will become necessary next year to send some one to do the duties hitherto performed by the clerk, as it will not be possible for the interpreter to attend to all matters connected with the paddy rents, &c. when the Kalapogam rents are sold.

" I have during the circuit disposed of all the cases pending from the last circuit, excepting two or three, which are now fixed to be tried in Manaar. No serious inconvenience has in consequence been felt on this occasion, and I sincerely hope and trust that orders will be received to again hold the circuit courts before the commencement of the first circuit of next year.

" If these courts be not again opened, it will become absolutely necessary for Government to take into consideration the matter of establishing a permanent court in the Vanny, somewhere near Vavonian Veaneolom. Any such court should be a district court as well as a police court and court of requests for the whole Vanny."

Public Works.

CEYLON.

Matters in general in relation to the subject are in too complicated a state to admit of my entering on the general subject in this report. I am in a false position in respect to them, and that, as I feel, from no acts of mine.

I will confine myself, therefore, to the particular point of the mention in Sir Henry Ward's Minute of 5th April 1856, of the expressed views of Sir W. Molesworth on the subject of the union under one management of all the roads, principal and other than principal.

His Excellency the Governor is aware that practically through the operation of the arrangement made by the road committees here, for the civil engineer's provincial assistant being in charge of roads other than principal, this has been hitherto to a great extent been the fact here, and indeed it was in that connexion that Sir H. Ward noticed the subject. I desire on this occasion to record my opinion, that it is most desirable for the public interests, as connected with each class of works, that some system, such as indicated by Sir W. Molesworth, should be introduced, and my belief that it could be, without encroaching on that independence of action on the part of the commissioners in respect to works other than principal which is a principle of the Thoroughfare Ordinance.

Works for Public Objects executed by Individuals.

It used to be a practice of the Madras Government to publish in the Gazette lists of works of this kind of magnitude, with the names of the persons at whose cost they were executed, and the cost. This suggested to me to procure a return of all works, however trifling, executed by individuals of late years in the Jaffna district, for public convenience and accommodation, and detailed returns of particulars show that public maddams or native rest houses, and wells of different kinds, for the use of men and cattle, have been so constructed at a cost of 3,359*l. 5s.*

Immigration.

From the month of May 1862 the charge of the immigration vessels, and all relating thereto, has been imposed on this department. Mr. Twynam has always referred with satisfaction to the conduct of Mr. Reidy, the immediate superintendent of the service, acting under the assistant agents' instructions, and I have good reason to believe that the organization of the whole service by the assistant agent is very efficient.

On the requisition of Government, I made, early in the year, a full report of all requirements for the further accommodation of the coolies, both on the continent and on Ceylon; a series of misunderstandings followed, in respect to the buildings referred to in this report, and the result arrived at very recently, under express instructions, is the forwarding by the civil engineer and myself of estimates for a fractional portion of these; and even as to these I see very little prospect of their completion, from utter inadequacy of means to the object.

Some works for further provision of water on the line of road were also sanctioned. The acting assistant agent, Nuwera Kalavia, notices the matter as regards that district thus:—

"A sum of 195*l.* was granted late in the year for the construction of six wells on the central road, besides a moiety of 15*l.* towards the construction of a seventh on the Mihintalai. Owing, however, to the lateness of the time of making the grant, and to the prevalence of cholera, it has been found impossible to complete these this year. One only has been entirely finished. The others are all in a more or less advanced state, but cannot be completed till towards the end of the ensuing dry season, before which it will not be practicable to reach the requisite depth."

Some similar work was done in the Manaar district, but I have not exact information in respect to it.

All relating to the hospitals hitherto supervised by the assistant agents has been made over to the Principal Civil Medical Officer.

Legislation.

The absence of practical recognition of the assurance given in the letter appended, and the shortness of the time, as frequently occurs, between the publication of the draft of a proposed ordinance and its second reading, operate very injuriously to the interests of this province.

As a strong instance of this I ask attention to the Ordinance No. 15. of 1862, commonly termed "the Nuisance Ordinance," the dates as to the passage of which through the Council were, as appears by the newspapers, my only source of information, as follows:—

Draft first published in Gazette	- - -	15 November.
First reading	- - -	22 "
Second do.	- - -	26 "
Third do.	- - -	10 December.

and this at a season of the year when the tapal from Colombo was sometimes 10 or 12 days in arrear.

I have reason to believe that had more time been allowed to them to mature their arrangements, the parties interested would have applied to be heard by counsel against the proposed Ordinance.

GENERAL OBSERVATIONS.

I have already under the head of circuits made reference to the visit of his Excellency the Governor. His Excellency landed at Point Pedro on the 14th June, remained 12 days in Jaffna, and travelled to Kandy by the central road, having been 24 days in the Province.

In July the Auditor-General visited Jaffna on circuit, and during his stay gave particular attention to the system of manufacturing, collecting, and storing salt, and he concurred with me in recommending the adoption of weighing machines at the stores.

Evincing much interest in such matters, I had the opportunity of showing him various roads and bridges, and much of the country generally about Jaffna, particularly in connexion with the peculiar system of cultivation by irrigation from wells.

The paddy is in the Jaffna district sown in September and October, and reaped in January and February; the only cultivation from March to September is that from wells, and as the water in these never fails in the driest season, there is little or nothing, except when an unseasonable storm occurs, to afford material for notice as to cultivation during that period. The lands are cropped in the customary manner year by year with the utmost regularity and precision of system.

The paddy crop of 1862 reaped early in the year was good, as may be inferred from the statement of the revenue derived from it.

The early part of the cultivation season for the crop of 1863 was favourable, but in December the rains were generally in excess of the requirements of the plants, and in some places without drainage the plants were destroyed or extensively injured.

In the Manaar and Vanny districts there is little cultivation but that of paddy. I have not any annual report from the assistant agent of Manaar. The statement of the revenue, however, is alone sufficient to show that the crop of 1862 was good; and in his fourth quarter's report the assistant agent gives much the same account as to the cultivation for the crop of 1863 as I have stated in respect to Jaffna.

As for Manaar, as for the Vanny, I may point to the statement of revenue as affording sufficient evidence that the crop was fair. In this district there are two descriptions of paddy cultivation; that near the coast, like that of Jaffna, without irrigation, and that of the forest districts of the interior by irrigation from embanked tanks. The prospects as to the former were at one time very good, but the excessive rain caused some damage. That from tanks was delayed and interrupted by the like cause, and the breaking of tanks. The report of the assistant agent of Anaradapoora has been very carefully prepared, and is very full, and it gives a very unfavourable account of the cultivation of the year and state of the district as to like matter.

The following are extracts from that report:—

"The past year having been remarkable until the last two months of it for severe drought, and having been preceded by two years of sufficient rain supply, has proved a year of trial to the people.

"In the southern and western divisions there can scarcely be said to have been any maha paddy crop in the early part of the year, and the medde and yalla crops of field paddy were very scanty. In the eastern division of the district, however, the drought was not so severely felt. The crop of china and korukkan were below the average, and scarcity prevailed very generally in the southern and western divisions. In November and December the drought was exchanged for rains of extraordinary abundance, which set in in the most favourable manner, and the prospects of the ensuing year would have been very bright but for the scarcity of seed paddy which in the southern and western divisions was so much needed that a large extent of land has been left uncultivated for the want of it. The western division is peculiarly unfortunate in being separated from the neighbouring parts of the North-western Province where paddy is procurable, by the Kala Oya, a river subject to frequent floods, and which is practically a barrier to all communication during the rainy months."

And again, as to this river:—

"I have already remarked on the necessity of some means of crossing the Kala Oya, either by a ferry or bridge. The river is subject to frequent floods, which render it impassable often for a month at a time, and the uncertainty of crossing it when the weather is unsettled is such as to render it a barrier to all traffic for some months.

"The western minor road branches off the direct road from Putlam to Anaradapoora four miles from where the latter crosses the Kala Oya, so that this river intercepts the traffic on both roads. A bridge over this river is very desirable, and the bed offers great facilities for one. I may mention that I was myself detained recently for five days on the banks of this river, and eventually obliged to take another route which skirted the bank, to cross it 45 miles nearer its source. The river had not then been passable for a month, and remained impassable for a fortnight longer, and everywhere on my journey I found that a great extent of land which would otherwise have been brought under cultivation had been left waste, owing to the want of seed paddy, which, though obtainable in seven korles, could not be brought into the district, owing to the impassable state of the Kala Oya; thus causing a loss of revenue to the Government.

"That it may not be supposed that I attach undue weight to the importance of uninterrupted communication with Putlam, I quote the following extract from a report of the supervisor of cooly bungalows, made to me after my departure from Anaradapoora:—

"The necessities of living are very dear; it is very difficult to obtain a measure of rice even for sixpence; the value of one cocoanut is sixpence; salt sevenpence a measure."

I had marked for notice in this report the question of the more important of the public works for which there is a demand, but I have abstained from entering on it from the fear of being led into too much detail, and I look to noticing the subject in my next report, with the aid of a carefully prepared synopsis of the works which have been executed, and of an explanatory map. Mr. Morris's reference, however, to the Kala Oya, leads me to notice how much the realization of the objects aimed at in the opening of roads in the large block of forest between the Elephant Pass and Dambool, 120 miles in length, by roughly 50 in breadth, is checked by the want of bridges.

A river on the eastern boundary, the Yangaor, interrupts communication with Trincomalie, as the Kala Oya on the west does with Putlam, and on the central road of 120 miles.

Bridges are still required at five places, reckoning the delta of the Kanagazayendor in the Karetchy as one.

To return, however, to Mr. Morris's report. The commutation settlement has been this year renewed. Mr. Morris has taken very great interest in this, and it is right that I should bring under the notice of Government some of his remarks respecting it, as of general interest.

These are as follows:—

" It does not appear to me that a commutation settlement should be regarded merely as a means for the collection of revenue. In so litigious a country as this, and where verbal evidence is so little to be trusted, a commutation settlement affords a valuable opportunity of checking litigation and false evidence, by accurately registering the names of the actual and legal owners of lands, and in the eastern and western divisions, where the registration has been completed, I think it may be regarded as accurate. Unfortunately, a mistake which has been detected in the southern division has in my opinion so materially affected the importance of the registration as an evidence of title, that I have returned the whole of the bonds to the acting ratta mahatmeya for a careful revision."

In this Province the object indicated has always been kept in view; but I notice the point because of the very particular attention Mr. Morris has paid to it.

The heavy rains have already been noticed in connexion with cultivation and the loss of cattle.

The subject, however, requires some further notice.

The assistant agent of Manaar states:—

" In December there was the heaviest fall of rain ever remarked to have taken place in this district; all the tanks were filled, and several burst. Several mud houses in Manaar fell down, and much injury was done to the cooly sheds."

The assistant agent at Mullativoe writes:—

" During December in particular, more rain fell than has ever before fallen in the same time within the memory of the inhabitants of the district. The damage done to houses, and the loss of houses and productive trees, has been considerable. The road and bridges about the station have been extensively damaged."

While the statement of the assistant agent of Nuwere Kalavia states that " in the latter half of December the floods were of almost unprecedented severity; but that the number of tanks broken were much less than might have been expected under such circumstances."

As to Jaffna, I certainly have seen much heavier rain, and the water standing in the usually flooded places at a higher level than on this occasion, but that was the effect of very heavy rain falling in storms in a comparatively few hours, a great part of which rapidly ran off, while the peculiarity of the past season was the long continued unintermittent steady rain, which has had a peculiar effect on a number of public buildings, as the old Dutch Church in the fort, hitherto regarded as imperishable; the Queen's house; gaol; gaoler's house; all three in the fort; and the custom house, all which exhibit many cracks and settlements in the walls, the real importance of which it is, however, the peculiar business of the civil engineer to report on.

The injury to the mud-walled houses of the people was also extensive, from the saturation of the walls; but this would have been far greater, and indeed disastrous, as regards the vicinity of Jaffna, but for the relief afforded by the modern works of drainage.

The modern works of bridges, some with extensive causeways across the broad salt inlet in the peninsula, have not suffered, but the damage to the sides and surface of roads in general has been considerable, and in many places the people, from necessity, cut across the roads, a practice which from recognition of the necessity of it, it is customary to overlook on such occasions.

(Signed) P. A. DYKE,
Government Agent.

Jaffna, 27th April 1863.

Enclosure 7 in No. 22.

Government Agent's Office, Trincomalie, March 4, 1863.

I HAVE the honour to forward the report of my assistant at Batticaloa for the year 1862.

I have, &c.

(Signed) E. L. MITFORD,
Government Agent.

The Honourable the Colonial Secretary,
Colombo.

ANNUAL REPORT of the Assistant Government Agent of Batticaloa for 1862.

I am greatly at a loss to frame a report calculated to prove of value or interest, for on resuming charge of my district on the 1st May last, after an absence of nearly four years, instead of being able at once to make a tour through the length and breadth, and thus acquaint myself with all the changes that had taken place in the features of the country, from extended cultivation, &c. I found so small a sum (only 20*l.*) available for this purpose, that I was compelled to content myself with a hurried visit to the irrigation works, and to the principal villages in their vicinity; and I must confess, that, though disappointed at finding so small an amount left at my disposal, I could not feel surprised,

CEYLON.

since the amount apportioned to travelling allowance for the assistant agent for the year was only 75*l.*, and 27*l.* had been drawn to cover expenses incurred in 1861.

General Revenue.

I have been unfortunate too in the period of my resuming charge, for there has been a decrease in the general revenue of no less than 4,446*l.*, but the causes are so obvious as to render lengthy explanation needless; but it may be well here to remark, that although it has fallen so far short of the revenue of 1861, with which it has to be compared in the periodical statements, it is treble what it was in 1852.

Land Sales.

More than four-fifths of the decrease is on land sales alone, and when I point out that upwards of 10,000*l.* has been collected in the past two years, entirely from the natives of the district, who, with but few exceptions, are anything but opulent, the decrease will not excite much surprise.

It has been represented to me that many have gone so recklessly to work that their new possessions are eating up their old in interest on money borrowed to enable the proprietors to join in the throng of purchasers.

Had I yielded to a selfish desire to make a show of keeping up the revenue derived from this source, I might perhaps, by personal influence, have succeeded to some extent, but in so doing I should have been inflicting injury on the people, in the first instance, and through them eventually to the revenue, for as it is they have great difficulty in adding to the extent of their cultivations, many having barely sufficient means left to enable them to employ even enough hands to keep the usual extent cultivated, and it must be a very gradual work to bring the new lands into thorough cultivation, if the old are worked too.

Paddy.

The loss on the revenue derived from paddy rented is 845*l.*, but the commutation is increased by 330*l.*, so that the true deficit under this head is 515*l.*; a large sum, and requiring some explanation.

By far the larger proportion is attributable to the injury sustained by the flood of February last, which was the heaviest known since 1834, and was unfortunately followed, as is frequently the case, by extensive damage from flies and caterpillars, which attacked the crop when in ear. The reports of the headmen show, that some 1,500 acres were seriously affected by these causes; but the carrying out of the commutation system has undoubtedly added in no slight degree, to the decrease of revenue from this source, as also will the sale of land that has been cultivated on licence, for the licence-holder pays one-fifth while the proprietor only pays one-tenth.

I must confess that I am no admirer of the system of commutation for tithes. My reasons for disapproving of it are as follows:

In the first place, with the very best intentions on the part of those who make the assessment, it cannot be based on any very exact calculation, and many will pay less, while a few perhaps may pay more, than is quite equitable, but the latter instances are very rare. The desire being to avoid any semblance of harshness, or any approach to extortion, the result is that the revenue suffers, and, as I believe, in no slight degree. I have taken six cases indiscriminately from the books, which will go far to prove the correctness of my views in this respect.

	<i>£ s. d.</i>		<i>£ s. d.</i>
Kayancolom was rented in 1861 for -	4 13 6	{ sold subsequently, and commuted at - }	1 5 0
Vellayayel "	- 3 10 0	"	2 8 9
Tolervellie "	- 9 6 0	"	8 12 6
Palle Moolecareen } Vayel - - }	- 2 14 6	"	1 0 3
Pooliady Vial "	- 2 1 0	"	0 17 6
Vaical Patto "	- 5 17 0	"	4 13 0
	<hr/> 28 2 0		<hr/> 18 17 0

The loss on these exceeds three-tenths, so that on calculating it on this data 100*l.*, or nearly one fifth of the decrease, will be owing to commutation.

Secondly, I do not believe that the advantage is at all appreciated by the majority of paddy land-holders, who prefer that a tithe of their crop, whatever it may be, should be taken yearly, to having to pay a certain sum whether their cultivation be successful or not. They have often urged failure of crops as a reason why commutation should not be demanded, and consider it a great hardship that their plea is unavailing.

The strongest argument that I have heard urged in favour of commutation is, that it saves the cultivators from the oppression of strangers, who may purchase the Government share of the crops, and much consequent litigation; but this may be equally avoided by subdividing the rents, so that each party of cultivators or proprietor may purchase that of his own field, should he desire it. This has been much done here, and certainly it cannot be said that the revenue suffered from it; on the contrary, on the first occasion of my selling the rents of this district on this plan, which was in 1855, the success was most marked, the receipts having increased from 480*l.* in the previous year to 1,545*l.*

To the two causes of decrease in paddy revenue that I have named must be added the difference that results from selling fields that were cultivated on licence, such paying one-fifth in the first instance, and one-tenth, or, if commuted, even less, subsequently.

Dry Grain.

CEYLON.

Dry grain, though not an important source of revenue, deserves some consideration from the fact that it has hitherto yielded sustenance to a very considerable portion of the residents of this district. The cultivation of it has been greatly discouraged by the enforcement of the rules laid down by our late respected Governor Sir Henry Ward. As is well known, this is the chief produce taken off chenas, and consists of Indian corn and fine grain of various sorts, the former, however, being reared in smaller quantities than the latter.

Cotton too is grown to some extent on chenas, and I was desirous of inducing the natives of the district to enter more freely into its culture than hitherto. My plan was, however, unsupported by the head of my department, and having been disapproved of by Government was abandoned at once. I think it right to invite a reconsideration of the subject, and with due submission to express my opinion that where the transport to the shipping place is so easy, and where, as I believe, much might be done, if good seed were furnished, and some encouragement given, it would be well to adopt some system upon which a trial could be made. It is hopeless to expect that the natives would at first devote their sole attention to that; but if allowed to cultivate Indian corn with it, paying a tax for both, it would, it appears to me, prove advantageous to all. My original plan, without risking the destruction of any forests, would have induced the cultivation of cotton to some little extent, and had it proved remunerative it would doubtless have been extended, and eventually forest lands have been applied for in purchase for this purpose.

The revenue derived from dry grain in 1862 is but little more than two-thirds of what it was in 1861, showing that far less land was cultivated as chena, and, as a result, much misery and even starvation existed among the poor of the district.

None could be more averse than I to the manner in which it was carried on in former years, and in my report for 1854 my remark upon it is as follows: "the injury to the country itself from an extensive chena cultivation is so great, that it should only be allowed where other means of providing food for the people are unattainable, or at least very difficult of access."

I quote this passage as it appears to me that I am supposed to be inclined to encourage this description of occupation, which is far from the case; my views now are as then in favour of its discontinuance; but I feel it must be done gradually, or we shall add immensely to the suffering among the poor.

Roads.

Badulla.—As the Batticaloa district increases in revenue importance, so does the necessity for affording an easy outlet for its produce to the interior, where it is so much needed. Rice, salt fish, salt, oil, and ghee are sent in considerable quantities to Badulla; and it would be reasonable to suppose that as time passed on so would improvements be apparent on the road between the two stations, but such, I regret to say, is not the case, it being in far worse order now than when I last saw it in 1857.

Kandy.—A branch from it about two miles from the boundary of the district to Alootnuwera (the distance being about 17 miles) would be of immense advantage, as bringing Batticaloa into communication with the coffee country lying between that and Mede Mahanewera, and making the distance between Kandy and this about 102 miles. A rough trace from the Badulla road to Alootnuwera was made at the instance of Mr. Birch, when acting assistant agent here, and I consider it of such importance to this district, and to the estates lying between Alootnuwera and Mede Mahanuwera that I would urge that the attention of the Provincial Road Committee of Kandy should be invited to it. There is no engineering difficulty, and the work need not be of a costly nature.

South Coast road.—The road of next importance is that portion of the coast road that lies between Calmoone to Carencottetieve, passing through the most fertile portion of the irrigation district, and three large cocoanut estates, the crop of which has to be brought over it.

There are several dangerous rivers on this line, which require to be bridged, and I trust they will receive attention during the ensuing year.

North Coast road.—Some money has been expended during the past year upon the north road, which connects this with Trincomalie, and the Assistant Civil Engineer informed me that he purposed devoting about 200/- to it in 1863. With such expenditure the advance must be very trifling, and in my opinion it would be well to do nothing more than keep it clear, until such time as the south road has been made a good cart line. Since there is water carriage from this to Eravor, a distance of about 10 miles, and during the rains as far as "Varley Chena" or "Venloos Bay," a canal to connect these two points would be of far more value than any road, and not be nearly so expensive. With this in view, a trace was made some years back by Mr. Smith, and can be found in the Civil Engineer's office, and I believe an estimate of the probable cost of cutting is to be found there also.

Minor Works.

I have not had much opportunity of judging what has been done on minor works generally in the district. Those I have seen are as follows.

Carative and Samantorre.—The Carative and Samantorre line was commenced by me before leaving for England, and if it could be completed would be of great use in connecting Samantorre with the very populous villages on the east coast.

It is a high embankment, with several deep gaps in it, impassable except by canoe; it is therefore useless as a road, and has unfortunately been a source of considerable injury to some of the paddy fields close to it on the north.

The error has been in raising it to its present height, which is above the highest floods. It is about a mile in length, across a large paddy plain; and when the waters come down the resistance offered by the dam causes them to rise far higher than formerly in the southern portion of the plain, and to rush out with overpowering velocity through the spaces left, which it widens by washing off the material into the fields, to their no small damage.

I consider that our proper course would be to cut down this dam to a level slightly above the higher field dams. This would give a dry firm road at all seasons. If this be done I consider that the number of outlets now allowed would be ample, as in heavy floods, which last but for a day or two, the road would be submerged; and if proper slopes be given to the sides no great damage need ever result.

The bridges will be an expensive undertaking, and I fear beyond the means at the disposal of the District Road Committee. There must be five of them, and their cost would hardly be less than 100*l.* each if the embankment be lowered; from 150*l.* and to 300*l.* if the road be kept at the present level. (Of course my estimates are but approximate.)

In a letter I addressed to the Provincial Road Committee on the 28th May last, I begged that the matter might be brought prominently to the notice of Government, as in its present state the road is worse than useless, and the work too expensive for the District Road Committee to provide funds to undertake.

Samantorre and Ericaman.—The line from Samantorre to Ericaman is chiefly of importance from its connecting the irrigation works with the most populous parts of that district. It crosses two streams, or rather two branches of the Pattepole Aar, viz., the Sengapadde and Veyreadie streams, both of which are impassable during heavy floods, except by boats; and as it may be necessary at any time to send a force without delay to save the works, it is advisable that there should be good canoes at each place.

It was, I am informed, intended to raise the piers of the Vereyadie dam so as to construct a bridge across, and it will be very useful in the rainy season. But it must be many years before we can look to crossing the Sengepadde Aar, which is very broad at this point during floods, in any other way than by boats.

Ericaman to Ambare.—The road from Ericaman to Ambare is most needed for the works at the last-named place, and should be kept open and gradually improved.

Ericaman to Carencotteline.—This does not require any great expenditure, nor has it had it, but it is useful, not only as connecting villages, but since the latter is thickly populated, which Ericaman is not, people can be obtained from thence on an emergency, when the streams between the great tank and the villages to the north are impassable.

Vullientive Bridge.—Having commenced on the subject of public works, I do not think I should be doing justice to the district did I not invite attention to the promised bridge on the Trincomalie road, between the island of Vullientive and the main land at Cottemone. It is much needed, and the disappointment at not getting it this year is considerable.

Buildings.

The gaol, as I have reported by letter, is small, much in need of repair, and unfit for the purpose.

A proposal for a new one was submitted by the Civil Engineer about the middle of the year; and as it seemed improbable that a new building would be sanctioned, I was called upon to submit a plan for enlarging this one, and making it more appropriate, which I have done. Though this is not a first class gaol, the district is so extensive and populous that it is necessary to provide room for a considerable number of prisoners on short sentences and for further examination.

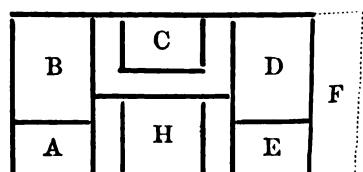
The roof of the wards is decayed, and needs renewal. The doors require repair, and larger ventilating apertures in them. The gate is rotten, and could easily be forced. The civil and criminal female wards open into the rest house compound, immediately upon the stables.

The gaol establishment is most insufficient, consisting of two peons, who have to be with the working parties all day, and take it in turn to watch at night. Under these circumstances the supervision cannot be very effective, particularly as there is no residence in the vicinity for the gaoler.

Cutcherry.

The cutcherry is a very neat and commodious one, but being open on the north and south no work can be done when rain is accompanied by strong wind, the drift passing through the whole of the clerk's rooms. Venetian doors with glass frames above are much required.

The position of the courthouse is most inconvenient, being so close to the landing place and customs office the noise during the shipping season interferes much with business. It is one of a block that forms three sides of a quadrangle, as per margin. A being the judge's chamber, B the courthouse, C office of court establishment, D salt store, E custom house, F enclosed shed, meant to store goods that could not be removed immediately after landing; but the principal collector, Mr. Vane, disapproved of it, and they are now stowed in the verandah G or in the yard H, to the great disgust of the merchants, who complain bitterly of the damage they sustain in wet weather. It has been proposed to wall off a portion of the salt store D, but that would not afford nearly sufficient space. If the whole of the room D were given up, and either another salt store or a new courthouse built, it would be a far better arrangement.



LAKE.

Assistant Agent's Residence.

CEYLON.

This old building, used as a residence for the Assistant Government Agent, would be most comfortable, were the verandah carried all round the upper story, and both ends made alike. The lower story can only be used as storerooms, at present, the flooring above being supported by rough posts. An estimate for a new flooring is very much needed, and I have heard was submitted and sanctioned last year, but the work was not done. Some of the out-offices require attention, and but a small outlay would suffice for that portion of the work.

District Judge's Residence.

The District Judge's house should be carefully inspected, as there is reason to fear that the roof in some places is not in a very safe state. The flooring should be raised, as it is almost on a level with the grounds, and consequently very damp.

Old Chapel.

An old building in the vicinity of the courthouse had been used for many years as a chapel, but soon after I left for England I learn that the roof was taken off it, the stones placed over the remains of those which had been entered within its walls removed, and the unsafe tiled roof having been replaced by a Cadjan one, it was used as a temporary salt store.

I cannot but regret this, feeling, as I do, that the members of the national church should at least have a neat building set apart for them to worship in. Had we desired a better church, it would of course have been required that a moiety of the cost should be subscribed; but the congregation were very well satisfied with what they had, and that having been taken from them I think they are entitled to hope that another may be granted to them.

No expensive affair is needed, for the English congregation is about 50 in number, and the Tamil 20, as appears by the returns kept by the Reverend Mr. Nicholas, a Tamil, paid by the Society for the Propagation of the Gospel, and has been stationed here by them since 1854.

I would here respectfully propose, that as the Government have withdrawn the grant in aid of the dispensary, which has been hitherto of great benefit to all classes of residents here, that they should authorize the erection of a small building, to be used as an hospital by such wounded and sick as require and receive professional assistance from the medical officer of the station, and that a monthly allowance be given to some person, who should have the charge of the building, and attend upon the sick. Should the Government consent to this, it will indeed be a boon, for when patients are brought in there is no place at which they can be kept, unless it be the civil ward in the gaol, or if a woman the female ward.

(Signed) J. MORPHEW,
Asst. Govt. Agent.

Batticaloa Cutcherry,
February 20, 1863.

HONG KONG.

HONG KONG.

No. 23.

No. 23.

COPY of a DESPATCH from the OFFICER ADMINISTERING THE GOVERNMENT to his Grace the Duke of NEWCASTLE, K.G.

(No. 127.)
MY LORD DUKE,

Hong Kong, July 1, 1863.

I HAVE the honour to lay before your Grace the Blue Book of Hong Kong for 1862, prepared by the Acting Colonial Secretary.

2. The principal points of interest will be found noticed in Mr. Alexander's covering letter.

3. Having so frequently in past years commented on the growing prosperity of the Colony, which the accompanying volume shows to be continued and increased during the last twelve months, I have but little to remark on now.

Gas.

4. A proposition to introduce gas into Hong Kong has been entertained by the Government, and will in all likelihood be carried out before a year is over. Opposition to this measure of public benefit was made on private behalf, and I was glad to take the opportunity to set the community right on certain points connected with the scheme, concerning which they had been misled by interested individuals.

Waterworks.

5. The waterworks are nearly ready, but they will considerably exceed in cost the original estimate furnished by Mr. Rawling.

HONG KONG.

Education.

6. The Board of Education has not shown much result as yet, but I hope and trust that Mr. Stewart's zeal will meet eventually with the success it deserves.
 7. An assistant master has been applied for, and the proposal is under consideration.
 8. The thanks of the Government are due to the Bishop of Victoria and the other gentlemen who give their gratuitous services to the cause, by acting as members of the Board of Education.

Health.

9. The sanitary condition of the Island has been all that could be desired, and the Colonial Surgeon's report merits attention.
 10. There are some subjects on which I cannot altogether report with satisfaction.

Post Office.

11. The postal service is conducted under considerable difficulty, especially the packet agency at Shanghae, concerning which it may be necessary to address your Grace hereafter in a separate despatch. I have caused the report of the Postmaster General on the postal revenue for the year to be inserted in the Appendix to the *Blue Book*.

Police.

12. The experiment of recruiting in India for the police force has not fully answered the expectation formed of it, but the steps taken to correct the defects that showed themselves have apparently been to some extent successful.

Kowloon and Pokfoolum.

13. The delay in the settlement of Kowloon has acted injuriously on the Colony in certain respects, but in one it has been of assistance, for, owing to the improbability of soon procuring sites at Kowloon, a useful and ornamental villa-settlement has sprung up at Pokfoolum on this Island.

Naval Head Quarters.

14. A new dock at Aberdeen for the use of Her Majesty's Navy has been projected, and received the approval of the Lords of the Admiralty. This, with the possible cessation of employment for Her Majesty's ships in Japan and the neighbourhood of Shanghae, will render Hong Kong in reality, and not in name only, what it was always intended to be, the head quarters of our navy in China.

Defences.

15. Thus the entire absence of land defences for this city and harbour (which has lately engaged attention) will be made of less moment, though it is represented by competent authority that land batteries are necessary, in aid of such defence as would be afforded by ships of war.

Prosperity of Hong Kong, and its causes.

16. On the whole I am enabled at this date to endorse and confirm the various reports made by me on the annual Blue Book of Hong Kong for some years past, especially that which accompanies the book for 1858.

17. Year by year the Colony continues to improve its political and its commercial status, while its position as a post of general convenience is as readily admitted now as heretofore.

18. Something of this prosperity is due to geographical location, something to accidental circumstances, and a considerable part to the professional enterprise of British and Foreign merchants.

19. But there is one thing behind these. Had the Chinese themselves kept aloof, commercial enterprise would have effected little; but the natives of the mainland flocked to Hong Kong in crowds, after some few years' experience or observation of it.

20. Doubtless they did so from seeing means of trade, but plainly also because they saw here a difference in Government, and consequently a superiority in British over Chinese forms.

21. They could not but note a marked contrast as to the integrity of the officials, the administration of justice, particularly the more humane system of criminal judicature, and the greater protection to life and property; and whatever may have been the past reputation of Hong Kong (the causes of which it would not be difficult to find), it is worth while to note the points I have just indicated, and I venture to submit that common justice will not withhold from the gentlemen who have been the main instruments in the foundation and advancement of the Colony the merit not only of promoting its prosperity, but of setting a praiseworthy example before the people and the Government of China.

22. I may confidently say, that, putting aside a short period of depression (now 10 years past), Hong Kong has gradually and steadily fulfilled, and far more than fulfilled, the hopes of its most sanguine friends.

23. I may also observe that its growth during the last four years has repeatedly called forth the wonder of all who have chanced to see it, whether British or Foreign, residents or visitants.

I have &c.

(Signed) W. T. MERCER.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

Enclosure in No 23.

Colonial Secretary's Office, Hong Kong,
Sir, June 11, 1863.

I HAVE the honour to submit herewith the Blue Book for the year 1862.

2. In doing so I have to state that the forms annually sent out by the Secretary of State have this year been sent stitched together in the form of a book, instead of loose, as had been the practice in former years.

3. This is the reason that the Blue Book does not contain various reports, returns, and tables which have usually been inserted; but I append them for reference, if necessary.

Revenue and Expenditure.

4. The revenue for 1862 amounted to \$ 631,259. 98., and shows an ¹⁸⁶² - ^{\$ 631,259 98}
¹⁸⁶¹ - ^{610,757 59}
increase of \$ 20,502 39. over that of the previous year. This increase is chiefly shown under the heads of postage, police and lighting rates, opium farm, auctioneer and pawnbrokers' licences. This last item is new, and may, I think, be hailed as a proof that the prejudices of the native population are not so difficult to overcome when met with prudence and firmness.

5. The Pawnbrokers' Ordinance, No. 3. of 1860, was passed on the 16th April 1860, and until early last year not one licence was applied for, and even then only after a most urgent petition, praying the Government to alter certain of the provisions of the Ordinance, and stating that the application for licences would be conditional on such amendment being made, had been rejected, the petitioners being informed that if after trial the objections they urged were found to exist it would then be time enough to consider the propriety of amending the Ordinance. Nothing more, however, has been said upon the subject.

6. The expenditure of the Colony for 1862 has also exceeded that ¹⁸⁶² - ^{\$ 587,633 94}
of 1861, being respectively \$ 587,633 94. and \$ 526,233 78., showing ¹⁸⁶¹ - ^{526,233 78}
an increase of \$ 61,400 16. This is accounted for principally by the ^{\$ 61,400 16}
increase to the police force, roads, streets, and bridges, the establishment of the Court of Summary Jurisdiction, and for educational purposes. With reference to this subject, I may add, that since the 1st July last the accounts of the Colony have been kept in dollars.

Population.

7. The Census taken on the 31st December last shows a total of 123,511, being 4,190 in excess of the previous year; a result which confirms me in the opinion that we only arrive at an approximate estimate of the population of the Colony. It is to be observed that of this 4,190 our late acquisition, Kowloon, contributes more than a fourth, or 1,326. Judging from appearances, I should have estimated the increase to be nearer 20,000 than 4,000.

HONG KONG.

Shipping.

8. The returns show the arrival during 1862 of 1,390 vessels, aggregating 688,829 tons. This is an increase upon the entries during 1861 of 131 vessels and 30,633 tons, the increase being in the proportion of 84 British and 47 Foreign vessels. The number of vessels were in—

	Vessels.	Tons.
1862	1,390	688,829
1861	1,259	658,196
	131	30,633
British		84
Foreign		47
		131

	Vessels.	Tonnage.
1857	1,070	541,063
1858	1,007	716,476
1859	1,158	626,536
1861	1,259	658,196
1862	1,390	688,829

I have omitted 1860, in which the number of vessels was 1,534 of 875,199 tons, as being an exceptional year, owing to the number of transports, &c. &c. &c. In the absence of a custom house, the imports and exports cannot be ascertained, but I think we should be justified in taking the above facts to prove that trade is on the increase.

Emigration.

9. There were 32 emigrant ships cleared from this port during 1862. Of this number 20 were American, 1 French, 1 Danish, 1 Chilean, and 9 British; and they carried 9,693 males, 681 females, and 47 children, distributed as under:

San Francisco	-	-	7,266 men, 264 women, 2 children.
Australian Colonies	-	-	977 " " 2 "
British West Indies	-	-	1,450 " 417 " 43 "
			<u>9,693</u> " <u>681</u> " <u>47</u> "

Legislation.

10. The Ordinances that were passed in 1862 were 15 in number, of which the most important were those relating to the regulation of the harbour, the enrolment of a volunteer corps, the prohibition by proclamation (if necessary) of the export of munitions of war, the abolishing of the offices of chief magistrate and assistant magistrate, the establishing of a Court of Summary Jurisdiction, the Post Office Ordinance, and the Police Ordinance.

1 of 1862
2 of 1862
3 of 1862
6 of 1862
7 of 1862
8 of 1862
9 of 1862

Departments.

11. The state of the various departments of the public service of the Colony is on the whole satisfactory. The harbour master is the only head of a department absent from the Colony, but his absence does not impair the efficiency of the service, so far as the duties of the office are concerned. I have to note the abolition during the year of the offices of chief magistrate and assistant magistrate, the substitution of two police magistrates with equal powers, and the constituting of a court of summary jurisdiction, the judge of which (in the absence of Mr. Adams, who left in April last,) is acting as chief justice, while Mr. Whyte, one of the police magistrates (being a barrister), is acting as Judge of the Court of Summary Jurisdiction, in addition to performing his own duties.

12. During the last year the scheme for supplying the public service of this Colony with interpreters and officers by means of cadets has been successfully initiated by the arrival of three gentlemen, of whom I need only say that they have given themselves manfully to the study of the language, and with very fair success, and that if men of similar education and standing can be induced to join, the civil service of Hong Kong bids fair to be second to none.

13. The Surveyor-General, as must always be the case here, has had his hands full, not only with new works, but also with works of old standing, which in a climate like this require constant attention. The new gaol, towards the close of the year was partly occupied by the European prisoners; and in connexion with this subject I may record in this place, although belonging to the transactions of the present year, the establishment of a convict hulk at Stone Cutters' Island, in which 280 Chinese and other Asiatic prisoners are about to be confined, and whose removal will allow the erection of the new central police station being proceeded with. It is with regret that I have to record the death on the 18th ultimo of Mr. Scott, late Governor of the gaol.

14. The waterworks are steadily progressing towards completion. They have required a longer period than was originally thought sufficient. This is principally owing to the difficulty of getting, at this distance from England, castings and pipes to meet exactly the various exigencies of the island formation. This will be easily understood if we take into consideration that the reservoir is placed at a distance by direct route over the hill scarcely exceeding two miles, while the distance by the road along which the pipes are laid is more than double, owing to the sinuous contour of the hills it traverses. The main pipes have been laid down in the town, and the value of this service has been amply proved, it being ascertained that by simply screwing a hose on to the fire-plug, water can be thrown over any of the houses in the vicinity; a fact the great utility of which requires neither comment nor explanation.

15. The districts of Bowrington, Wanchai, and Seyepong have been laid out, and are partially built upon.

16. Nothing has been done at Kowloon, except to have it surveyed, which appears to have been very satisfactorily executed by Mr. Bird, late of the Royal Engineers, who was temporarily employed for that service. This work was commenced in the end of 1862, but was only finished a very short time back.

17. The government gardens begin to show signs of the labour that has been bestowed upon them. Seeds and plants have been obtained from England, Australia, and elsewhere, and I hope by the end of this year they (the gardens) will be sufficiently advanced to afford some enjoyment to the community.

Police.

18. On the first of May last year, a body of 150 men, natives of India, arrived, and were incorporated with the police force of the Colony, which had just been re-organized under Ordinance 9. of 1862. A year has elapsed, and although the experiment has not perhaps answered to the full expectation, yet it is undoubtedly an improvement upon the old system. At all events there is no better mode, within the reach of the Colony, of forming a police force. The strength of the force is 486, of which 60 are Europeans, 318 Indians, and 108 Chinese; that being short of the authorized complement by 64. I may add that instructions have been sent to Bombay for the enlistment of 60 additional men, but no intimation has yet been received of their having been obtained.

Europeans	-	60
Indians	-	318
Chinese	-	108
	—	486
Full strength	-	550
Short	-	64
	—	486

Education.

19. In the Appendix mentioned in the third paragraph of this letter will be found the report of the Board of Education for 1862. It has been considered advisable to discontinue four of the village schools, on the ground of the nonattendance of the pupils, owing, as it is stated, to the poverty of the parents rendering it a matter of imperative necessity to employ their children in agricultural labour for their subsistence; to this perhaps may be added the inclination, common to most people, to undervalue that which costs them nothing, and on this view the board recommended the handing over to the villagers the four schoolhouses rent-free, in order that they may, if so disposed, employ their own schoolmasters. This recommendation has been carried out, on certain conditions as to the care of the houses, &c., and the funds thus released have been used in increasing the efficiency of the schools in Victoria and its neighbourhood. Mr. Stewart, the head master of the Central School, arrived early in the year, and has applied himself to his work with diligence.

Sanitary.

20. The Colonial Surgeon's report for 1862, appended to the Blue Book, shows that the health of the Colony during the last year has been satisfactory; and as the three previous years have been almost as healthy, we may perhaps venture to anticipate that the improvement may be permanent in its character. The Colonial Surgeon says it is to be "hoped that this improvement has been the result of the many sanitary reforms " that have taken place;" and taking into consideration the almost entire freedom of the Colony from cholera, as compared with every place in the vicinity, I think we are entitled to attribute our escape, under Providence, to the sanitary reforms mentioned by the Colonial Surgeon.

21. Your Excellency appointed a sanitary committee, with a view to consideration being given to the existing system of drainage, and the suggestion of any improvement

HONG KONG. therein that might appear necessary. The committee, however, have not yet submitted their report.

Volunteers.

22. I cannot conclude this brief report without alluding to the establishment in this Colony of a corps of volunteers, and although they have been little more than a twelve-month in existence, their efficiency is highly spoken of. On the occasion of the celebration of Her Majesty's birthday, they took part in the parade, and I had the pleasure subsequently to hear the commandant of the garrison express a very high opinion of their appearance and steadiness.

23. This is gratifying, and greatly to the credit of the gentlemen who form the corps, for it is not to be overlooked that they give up to the acquirement of a knowledge of their duty as soldiers the small portion of time which their avocations allow for purposes of recreation.

I have, &c.
 (Signed) W. H. ALEXANDER,
 His Excellency W. T. Mercer, Esquire,
 Acting Governor,
 &c. &c. &c.
 Acting Colonial Secretary.

LABUAN.

LABUAN.

No. 24.

No. 24.

COPY of a DESPATCH from the OFFICER ADMINISTERING THE GOVERNMENT to his Grace the Duke of NEWCASTLE, K.G.

(No. 23.)
 MY LORD DUKE,

Government Offices, Labuan,
 May 19, 1863.

I HAVE the honour to forward the Blue Book of this Colony for the year 1862.

At the close of 1861 the prospects of the Colony were so gloomy, in consequence of the failure of the acting manager of the Labuan Coal Company to open the mines, that the estimates for expenditure for 1862 were confined to the smallest possible amount necessary for carrying on the routine duties, and preserving the property of Government in repair.

The convict labour was employed principally on the roads, and in clearing ground in the neighbourhood of the town. The roads are in consequence in better order than they had ever previously been, and it is believed that the clearings near the town, which are still being carried on, will continue to improve the salubrity of the neighbourhood.

The new superintendent appointed by the Labuan Coal Company arrived in February 1862, and having commenced to work the coal in a new place, undisturbed by the workings of his predecessors, his progress during the year was very satisfactory.

At Christmas 3,205 tons of coal had been raised from the drifts driven into the upper and smaller vein, and a drift to the deeper and far larger vein had been driven about one third of the required distance. A pit to the same vein had also been begun.

A good railroad to the shipping place at Tanjong Kubong, including a substantial jetty, was also constructed during the year.

All reports upon the coal raised, state its quality to be very good for steam and gas purposes, but complain that it burns rather more rapidly than Welch coal. It is undoubtedly the best coal that has been discovered in the east.

I have, &c.
 (Signed) HUGH LOW,
 His Grace the Duke of Newcastle, K.G.
 &c. &c. &c.

Administrator of the Government.

MEDITERRANEAN POSSESSIONS AND IONIAN
ISLANDS.

GIBRALTAR.

No. 25.

LETTER from Lieut.-General Sir WILLIAM CODRINGTON, K.C.B., dated
February 28, 1863, to the SECRETARY OF STATE for WAR.

I honour herewith to transmit the Blue Book for 1862, the accuracy of
which is certified by the Colonial Secretary.

Revenue.

There has been an increase on various items over the amount received in 1861 of 1,400*l.* 0*s.* 6*d.*, and a decrease on others of 909*l.* 17*s.*, leaving the total increase of revenue 490*l.* 3*s.* 6*d.* sterling. These items of increase and decrease are mostly caused by the fluctuations of trade, and show no alteration worthy of remark.

Expenditure.

The increase of expenditure over the former year of 1,531*l.* 1*s.* 9*d.* sterling has been caused by various improvements in the city, public gardens, and government offices.

Public Works and Buildings.

The convent is in a most dilapidated state, and requires extensive repairs. A report of the Civil Engineer is enclosed.

An efficient water supply for the civil population is much needed, and a plan and estimate have been submitted to Her Majesty's Government.

Population and Mortality.

The resident population, according to a Census taken in June 1860, amounts to 15,462. This is exclusive of military, convicts, and aliens on temporary permits, varying from three days to a year. The number of the latter vary, but in December last was 989.

The number of deaths among the civil resident population was 485, and 31 among the alien population; 3*1*/*7*ths per cent. of the whole.

Under the head of miscellaneous returns are inserted the number of cases heard and disposed of in the various courts of law in Gibraltar.

The schools are 10 in number, in which are educated 1,234 boys and 819 girls; besides these are the regimental schools, in which are instructed 220 boys and 158 girls.

I append a report from the Colonial Secretary on the commerce of Gibraltar. The return therein mentioned is inserted at page 199 of the Blue Book.

Feb. 21, 1863. Gibraltar being a free port, it has been impossible to arrive at exact statistics on either imports or exports, except in the case of wines, spirits, and tobacco, introduced for consumption in the garrison, but I believe it to be a close approximation to the actual amounts under their different heads; and the report may be interesting, as being the first time that the nature and details of the trade of Gibraltar has been attempted for record.

Enclosure in No. 25.

SIR,
Secretary's Office, Gibraltar, February 21, 1863.
My attention having been directed to the small amount of information given to Her Majesty's Government with reference to the trade of Gibraltar, I have the honour to inform your Excellency, that, with the help of the merchants, traders, and others in Gibraltar, I have obtained a return of the value of imports from, and exports to, various countries on classified goods, which I now submit, together with the following remarks on the commerce of Gibraltar.

It must first be my duty to show how erroneous is the idea that the trade of Gibraltar is supported chiefly by smuggling goods into Spain.

There is no doubt that in former years a large smuggling trade was carried on with Spain, and continued with varying success until about 1842.

The reasons were as follows:—

1st. The revolt of the Spanish Colonies between the years 1816 and 1819, the internal dissensions that ensued in the reign of Ferdinand the 7th, the civil war at his death, until the year 1840, rendered smuggling a comparatively easy and safe matter.

2dly. The fact of Spain refusing to admit several articles of English and foreign manufacture, and levying high duties on others, was a great encouragement to smuggling.

GIBRALTAR.

3dly. The arbitrary law by which all Spanish vessels touching at Gibraltar were, until 1842, deprived of their national character, and both ship and cargo had to pay in Spanish ports the extra duties levied on foreign vessels.

The cause of the decline of smuggling during the last 20 years has been—

1st. That Spain has been progressing, although but slowly, developing her internal resources and enlarging her marine.

2dly. Many foreign goods formerly entirely prohibited are now admitted into Spain, and the duties on others are reduced.

Smuggling into Spain now hardly exists, and where it does it is carried on by Spaniards themselves, who, buying goods in the shops, conceal them in small quantities about their persons, to sell in Spain.

The importation of tobacco, in which a large smuggling trade formerly existed, began to decline about the year 1847, falling in that year from 69,998 cwt. to 53,668 cwt. in 1848, and to 41,508 cwt. in 1849; and last year, 1862, the amount was only 10,463 cwt.

The trade of Gibraltar is now, and for some time past has been, a licit one with different countries. The principal imports, which are again exported chiefly to Spain and Morocco, are cotton, woollen, linen, and silk manufactures from England and France.

Sugars come from Havannah or Cuba, from Cadiz, and from Brazil, via Lisbon; refined sugars from England, France, and Belgium; coffee from Brazil, via Lisbon. These are exported to Morocco in large quantities.

Corn and seeds are imported largely from Morocco. A great proportion of these are sent to England and other countries where there is the best market.

Metals, chiefly imported from England, are exported to Spain and Portugal, and Morocco.

Wool and hides from Morocco, principally are exported to England, France, Italy, and the United States.

Wine, beer, and spirits imported from England are almost entirely for local consumption; but an immense quantity of alcohol, chiefly imported from the United States, and various descriptions of Foreign spirits and liqueurs from Holland, Germany, and other countries, are exported from Gibraltar into Spain.

The import of coal from the United Kingdom is considerable, and is of the utmost importance, both as respects the coaling of Her Majesty's Ships, and also the numerous vessels passing to and from the Mediterranean. Out of 4,279 vessels that entered the port in 1862, 1,293 were steamers; 794 of these British. The importance of Gibraltar as a station for procuring "coals" and provisions, as well as a harbour for sailing vessels unable to get from the Mediterranean through the straits with a west wind, cannot be overrated.

The return of coal does not include that received either for Her Majesty's Navy or Troops.

Tobacco is chiefly imported for local consumption. Small parcels are sent to the Canaries, Malta, Italy, and Algeria.

Under the head of sundries are articles too many to particularize.

The exports of specie are chiefly to Morocco, to pay for the produce shipped there for different countries. The traders in Morocco, having no knowledge of banking transactions, all payments have to be made in this manner.

The trade with Morocco is increasing annually.

The wool alone exported from thence last year to England, France, Belgium, and the United States amounted to from 25,000 to 30,000 bales, whilst large quantities of cereals, seeds, wax, and oil are likewise exported.

Gibraltar being a free port, it has been impossible to arrive at exact statistics on either imports or exports, except in the case of wines, spirits, and tobacco introduced for consumption in the garrison; but the return annexed I believe to be a close approximation to the actual amounts under their different heads.

It has been difficult to arrive at the precise amount of exports, inasmuch as a considerable trade is carried on by Moors, who arrive to purchase, and remain but a few days. From these no returns could be obtained.

The transit trade of Gibraltar, and which is included in the return, amounts to 600,000*l.* sterling, four-fifths of which comes from the United Kingdom.

Many of the mercantile firms here have agents at the different ports on the coast of Morocco, through whom they carry on a very large direct trade with England, France,

GIBRALTAR. Italy, the United States, Spain, and Portugal, in wool, grain, bees-wax, oil, and seeds, probably amounting to one million sterling per annum, and which is carried on exclusively with the capital of British merchants.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

I have, &c.
(Signed) S. FREELING,
Colonial Secretary.

MALTA.

MALTA.

No. 26. COPY of a DESPATCH from Governor Sir J. G. LE MARCHANT to his Grace the Duke of NEWCASTLE, K.G.

(No. 33.)
My LORD DUKE,

Palace, Valletta, May 22, 1863.

I HAVE the honour to transmit herewith the Blue Book of Malta for the year 1862, to the usual items of which has been added, for the purpose of giving additional statistical information, certain abstracts from the Census of 1861; and to subjoin a statement in regard to the revenue and expenditure of these Islands during that year, which has been furnished by the Auditor General.

2. The gross revenue of Malta during the five years immediately preceding 1862 was—

1857	-	-	132,681	
1858	-	-	142,350	
1859	-	-	147,385	Average, say £142,500.
1860	-	-	145,944	
1861	-	-	144,344	

3. The gross revenue of 1862 was 153,806*l.* 16*s.* 2*½d.*, being in round numbers 11,036*l.* above the average of the five preceding years, and 9,672*l.* more than the revenue of 1861. This increase is chiefly in customs dues, rents of Crown property, and sales of property; the latter amounting to 556*l.* 17*s.* 5*½d.*

4. The receipts of the two principal branches of revenue named, rents of Crown property and customs dues, as compared with 1861, were—

—	1861.	1862.	Increase.	Decrease.
Lands	£ s. d.	£ s. d.	£ s. d.	—
Houses	12,201 11 4½ 21,735 15 2½	12,545 16 8½ 23,879 2 9½	334 5 4½ 2,143 7 7	—
	33,937 6 6½	36,424 19 5½	2,487 12 11½	—
Imports	87,277 3 7	93,466 12 7	6,189 9 0	—
Tonnage Dues	5,530 15 6	5,478 17 6	—	51 18 0
Store Rent	1,851 6 8	1,775 7 4	—	75 19 4
	94,659 5 9	100,720 17 5	6,189 9 0	127 17 4

showing an aggregate increase of 8,549*l.* 4*s.* 7*½d.*

5. The provision made for the year was—

—	Establishment.	Exclusive of Establishment.	Total.
General Estimate	£ s. d.	£ s. d.	£ s. d.
Supplemental Ordinance No. II. of 1863, not yet approved by the Queen	66,348 18 8 221 13 5	79,984 0 3 35,291 2 4	146,332 13 11 35,512 15 9
	66,570 7 1	115,275 2 7	181,845 9 8
Reserved Balance of Special Services under the directions of the Secretaries of State	—	521 6 7	521 6 7
	66,570 7 1	115,796 9 2	182,366 16 3

6. The gross expenditure in 1862 was :—

	£	s.	d.
Local charges, exclusive of remittances to the agents-general	145,262	19	11
Agents-general's account	3,409	19	7
	<u>£148,672</u>	<u>19</u>	<u>6</u>

being 3,831*l.* less than the revenue of the year, exclusive of the dividends on stock in consols which are reinvested for a special purpose.

7. The expenditure on account of services, which for purposes of calculation may be fairly considered as charges against surplus capital, was :—

	£	s.	d.
Grain fosses	611	18	4
Tank at Casal Dingli	198	2	9
New market	3,323	18	9
Opera house	3,053	1	0
Palace corridors	354	0	0
New poorhouse and hospital of incurables	564	16	7
Civil powder magazine	826	16	10
Wing to Corradino Prison	429	8	6
Cemetery San Giuseppe Road	326	0	11
Lunatic Asylum	50	0	0
Cemetery at Tal Hor	41	2	0
Road from Migiano to Rabato Gozo	400	0	0
Road tal Palma	277	15	10
Road ta Ridolfo at St. Julian's	380	0	0
Road Casal Luca	222	12	0
Road Croce della Marsa	547	6	0
Exhibition expenses	170	18	10
Census expenses	190	6	10
	<u>11,968</u>	<u>5</u>	<u>2</u>

Some of these charges were included in the general estimates of the year as chargeable against the revenue of the year.

8. No claim was made in 1862 by the Imperial Government on account of instalments for the construction of the new harbour.

9. The actual state of the finances of Malta at the close of 1862 will be seen from the following statement :—

	£	s.	d.
Gross surplus capital on 31st December 1861	31,261	1	2½
Add revenue, local	£152,503	5	7½
Agents-general	1,303	10	7
	<u>153,806</u>	<u>16</u>	<u>2½</u>
	<u>185,067</u>	<u>17</u>	<u>4½</u>
Deduct expenditure, local	£145,262	19	11
,, Agents General	3,409	19	7
	<u>148,672</u>	<u>19</u>	<u>6</u>
Actual surplus	36,394	17	10½

I have, &c.
 (Signed) J. G. LE MARCHANT,
 Governor.

His Grace The Duke of Newcastle, K.G.
 &c. &c. &c.

IONIAN ISLANDS.

No. 27.

COPY of a DESPATCH from the LORD HIGH COMMISSIONER to his Grace the Duke of NEWCASTLE, K.G.

(No. 167.)

MY LORD DUKE,

Corfu, November 25, 1863.

I HAVE the honour to transmit to your Grace the Blue Book for 1862, together with the Report thereon.

The other two copies of the Blue Book will be forwarded by the first opportunity by way of Liverpool.

His Grace the Duke of Newcastle, K.G.,
&c. &c. &c.

I have, &c.
(Signed) H. K. STORKS.

Enclosure in No. 27.

REPORT on the BLUE Book for the financial Year 1862, ending 31st of January 1863.

REVENUE.

Increase.

The several items showing an increase of revenue over last year are the following:—

- Export duty on oil.
- Do. on currants.
- Import duty on tobacco.
- Do. on grain.
- Sale of gunpowder.
- Health office tariff receipts.
- Post office.
- Dogana warehouse rents.
- Mortgage dues.
- Printing office receipts.
- Public instruction receipts.
- Miscellaneous.

The increased amount of duty collected on the oil exported this year over that of last, amounting to 15,208*l.* 18*s.* 7*½d.*, is to be attributed to a better crop of olives this year than the year before.

The amount of export duty collected on currants this year shows an increase of 5,217*l.* 1*s.* 11*½d.* over last. This is to be attributed to the same cause as that on olive oil.

The increased amount of duty levied on grain imported into the islands, viz., 1,881*l.* 3*s.* 7*½d.*, is caused by a larger quantity of foreign grain having been consumed by the population, owing to better crops of the staple produce of the country, viz., currants and olive oil.

The increase of 23*l.* 11*s.* 10*½d.* in Porto Franco warehouse rents is caused by a larger quantity of merchandize having been kept in deposit this year.

The 404*l.* 12*s.* 1*½d.*, which appears as an increase in the comparative return of this year over last, is to be attributed to greater exactness in levying educational dues.

The other items showing a small increase, viz., 27*l.* 11*s.* 8*½d.* import duty on tobacco; 105*l.* 0*s.* 9*½d.*, sale of gunpowder; 161*l.* 7*s.* 7*½d.*, health office receipts; 75*l.* 1*s.* 7*½d.*, post office receipts; 17*l.* 3*s.* 7*½d.*, mortgage dues; 15*l.* 7*s.* 3*½d.*, printing office receipts; 69*l.* 4*s.* 11*½d.*, miscellaneous,—are casualties for which no definite reason can be given.

Decreased Revenue.

The items showing a decrease this year are as follows:—

- Customs.
- Export duty on island wines.
- Import duty on foreign wines and spirits.
- Stamp duties.
- Police receipts for dues.
- Judicial receipts for dues.
- Steam packet freights.

The cause of the decrease in the custom receipts this year, 631*l.* 5*s.* 2*½d.*, is in consequence of a diminution in commercial operations, pending the union of the Ionian Islands with Greece.

The diminution of 156*l.* 15*s.* 3*½d.* in the export duty on island wines is to be attributed to a failure of the vintage in the several islands.

The decreased revenue received on foreign wines and spirits, viz., 170*l.* 2*s.*, is caused by a less quantity having been imported this year, large deposits having remained on hand from the year previous.

The decrease arising in stamp duties, $375l. 17s. 9\frac{1}{10}d.$, is caused by less demand for stamped paper this year, in consequence of less litigation. The same reason would appear to account for the decrease in police and judicial dues, which amount to $351l. 5s. 2\frac{8}{10}d.$. The $10l. 2s. 6d.$ in steam packet freights is a casualty.

EXPENDITURE.

Increase.

The items showing an increased expenditure this year over last are as follows:—

Legislative Assembly.

Civil establishment.

Judicial establishment.

Packet service, &c.

Contingent expenditure of the General and Local Governments.

The increase of $1147l. 16s. 6\frac{3}{10}d.$ in the item headed "Legislative Assembly" is caused by a larger number of assistants having been voted by the assembly for the purpose of providing places for friends. A general election has also tended to augment the expenditure under this head, the increase of $730l. 3s. 8\frac{2}{10}d.$ in the item Civil Establishment, and that of $458l. 5s. 6\frac{8}{10}d.$ in the Judicial Establishment, arises from the same cause, viz., an increased expenditure voted for each in the new civil list.

The increased expenditure of $267l. 18s. 1\frac{6}{10}d.$ under the item Packet Service is a casualty.

The large increase of expenditure under the head of Contingent Expenditure of the General and Local Governments is accounted for by the payment of pensions from the general revenue, instead of from the old pension funds, which is exhausted.

Decrease.

The items which show a decrease this year are the following:—

Education.

Rents of public offices.

Public works.

Collection of revenue.

Health office, lazaretto, and lighthouse.

Post offices.

Executive police.

Courts of justice and prisons.

} Contingencies.

The decrease of $559l. 16s. 2\frac{3}{10}d.$ under the head of Education is in consequence of the transfer of this expenditure to the separate civil list for education, and to the greater vigilance exercised over the expenditure of country schools.

The decrease in rents, amounting to $10l. 2s. 7\frac{1}{10}d.$, is to be attributed to the exercise of greater economy in this branch of service.

The decrease in the item Public Works, amounting to $697l. 10s. 5d.$, is to be attributed to the limited number of public works undertaken during the year.

	<i>L s. d.</i>
The decreased expenditure under the items of contingencies for the collection of revenue, &c.	278 6 $4\frac{1}{10}$
Health office, &c.	141 11 $10\frac{2}{10}$
Post offices	42 16 $8\frac{5}{10}$
Executive police	685 10 $11\frac{5}{10}$
Court of Justice	138 14 $9\frac{8}{10}$

and that which appears under the head of Prisons may be accounted for by greater care having been taken in preventing undue expenditure in all these branches of the service.

POPULATION.

The population during this year appears to be nearly the same as that of last year. This is to be attributed in a great measure to a great mortality among children in Corfu from scarlatina, and a number of aliens having left the islands.

EDUCATION.

The public schools in the several islands this year appear to have been better attended, in the same ratio as the private schools have fallen off.

IMPORTS AND EXPORTS.

The imports of this year over last show an increased value of $36,456l.$, and the exports a much larger increased value, viz., a difference of $207,298l.$.

Last year the estimated value of imports amounted to $1,236,657l.$, this year to $1,273,113l.$

The exports of last year only amounted to an estimated value of $901,221l.$; whereas this year the value is put at $1,108,519l.$

GENERAL.

The financial condition of the Ionian States shows a considerable improvement during the year. The crops were rather above the average, and the prices obtained for oil and currants were better

IONIAN
ISLANDS.

than in the preceding year, but the general prosperity of the islands must not be overlooked as a conducive cause, and a more exact collection of the public revenue, and a careful supervision of the expenditure, have contributed to the improvement referred to.

(Signed) EDWARD F. BARR,
Acting Secretary to the Lord
High Commissioner.

Corfu Palace, November 25, 1868.

HELIGO-
LAND.

No. 28.

HELIGOLAND.

No 28.

[Not received.]

FALKLAND
ISLANDS.

(No. 27.)

No. 29.

FALKLAND ISLANDS.

No. 29.

COPY of a DESPATCH from Governor MACKENZIE to his Grace the Duke of NEWCASTLE, K.G.

Government House, Falkland Islands,
February 20, 1863.

MY LORD DUKE,

I HAVE the honour to transmit herewith the annual Blue Book for the year 1862.

2. The marked increase in the colonial revenue and expenditure need some explanation. The revenue amounts to 2,011*l.* 13*s.* 9*d.* above the receipts of the preceding year; but this is attributable to the infliction of a fine of 1,080*l.* on the Falkland Island Company for illegal cattle killing. The revenue was considerably augmented also by the increased sale of Government property, and the repayment of advances for the relief of distressed seamen, under the head of Miscellaneous Receipts. The increase of 914*l.* 17*s.* 6*d.* in the expenditure was chiefly owing to the remission of a portion of the above fine.

3. The imports and exports do not differ materially from the accounts of the preceding year.

4. In order that the unusually high per-cent of burials in the past year might not lead to the erroneous impression that the Colony was becoming unhealthy, an explanatory note has been appended to the return, showing that of 21 burials 5 were deaths in vessels in harbour, and 6 were sudden deaths, thus reducing the number of deaths from natural causes to 10, being the same as last year.

5. I am glad to be able to report that the new land and cattle regulations, copies of which I beg to enclose, are working very favourably in the Colony.

6. Before concluding this Despatch, I would briefly advert to the tables of shipping, which show an aggregate tonnage of vessels of all nations visiting this Colony in the past year, for repairs and provisions, amounting to 34,438 tons, being an increase over the preceding year of 13,111 tons. So marked an increase gives me a greater confidence in hoping that the advantages of this port as a harbour of refuge for shipping distressed in these distant latitudes is becoming more universally known, and will henceforth be more generally availed of.

I have, &c.

(Signed) J. G. MACKENZIE,
Governor.

His Grace the Duke of Newcastle, K.G.
&c. &c. &c.

Encl. 1 in No. 29.

Enclosure 1 in No. 29.

PROCLAMATION ON GRAZING LEASES, 4th April 1861.

1. Any person may, on application to the Governor, and on payment of 5*l.* into the Colonial Treasury, obtain a licence to occupy a station.
2. Every such licence will be given in writing, and be for one year only, and not renewable.

3. Every station will contain as near 6,000 acres as may be convenient, having regard to natural boundaries. The boundaries of each station shall be determined by the Surveyor-General, with the approval of the Governor.

4. At any time before the expiration of the licence, the licensee may obtain a lease for 10 years of his station, at a rent of 10*l.* a year, provided he proves, to the satisfaction of the Governor, that he has built on the land a house of wood or stone walls not less than 24 feet by 12 feet, and 6 feet high, and has stocked the station with at least 50 cattle or horses or 100 sheep.

5. It will be a condition of the lease that during its continuance the station shall be kept stocked with at least the number of stock before specified, and also be occupied by the lessee or any person in his employment, and in case of any failure in this condition it shall be lawful for the Governor to resume possession of the station.

6. The lessee of any station must within five years from the date of his lease purchase, at the upset price of land for the time being (not exceeding 8*s.* an acre), a section containing not less than 160 acres, and may also at any time during his lease purchase any further quantity of land in his station at the same price.

7. If the lessee of any station under this proclamation, or under the proclamation issued by Governor Rennie on the 31st of July 1849, shall be desirous of obtaining an extension of his lease, he shall give notice thereof to the Governor six months before the expiration of his lease, and the Governor shall, with the advice and consent of the Executive Council, determine whether it is expedient that the land shall be sold or reserved for any public purpose. If the land be not required for sale or otherwise, then the Governor may grant to the lessee an extension of his lease for five years, on the same terms as to rent and occupation as the first lease; provided that no lessee under the said proclamation of 31st July 1849 shall receive an extension of his lease for more than 6,000 acres, and provided also that no such lessee shall receive an extension of his lease unless all the districts leased by him are stocked and occupied in manner herein-before required.

8. Every lease under this proclamation, or the proclamation of the 31st July 1849, shall be transferable, subject only to the condition of giving notice of such transfer to the Colonial Secretary.

9. The rent of each station shall be paid by the lessee to the Colonial Secretary at Stanley, yearly, in advance, from the day of the grant of the lease; and if delay be made in such payment the Colonial Secretary shall, within two months after the rent is due, send notice thereof to the lessee (if in Stanley), and if the rent be not paid within one month after such notice, or (if the lessee be not resident in Stanley) if the rent be not paid within six months after it is due, the lease shall be null and void, and the Governor may resume possession of the station without making to the former lessee any compensation.

10. No licence shall be granted to occupy any station within six miles by land of Stanley, or of any township which may hereafter be proclaimed.

11. Every station leased and every block of land sold under these regulations shall be as far as possible of a square figure, of which not more than one side shall have available water frontage.

12. Every lease shall confer the right to use the land for pastoral purposes, and shall be subject to all such reservations as are contained in the printed Crown grants of land in this Colony, and the Governor shall have power at any time to proclaim a public road through any station.

13. No person shall be licensed under the first clause of this proclamation to occupy more than one station at the same time; and no lessee of any districts under the said proclamation of the 31st July 1849 shall be licensed to occupy a station unless the said districts shall be stocked and occupied in manner herein-before required.

14. Every station shall be defined with reference to the nautical chart of the Colony without requiring any further survey.

Published by order of his Excellency Governor Mackenzie,

(Signed)

W. R. PYNE,
Colonial Secretary.

Enclosure 2 in No. 29

PROCLAMATION respecting WILD CATTLE, 5th April 1861.

His Excellency the Governor, with the advice and consent of the Executive Council, hereby makes known that any person holding a licence or lease of a station under the proclamation of 4th of April 1861, and any person holding a grazing district under the proclamation of 31st of July 1849, if the same be actually occupied, may obtain a licence to capture and kill wild cattle for his own use, on the following conditions:—

1. Every person shall pay for each ox, bull, or cow captured 14*s.*, and for each calf running with the cow 1*s.*.

2. Where it appears that the number of wild bulls is excessive, the Governor may grant to any holder of land as aforesaid permission to kill the same, on payment of 4*s.* each.

3. In order to prevent interference among different licensees, the Governor shall prescribe the limits within which each licensee may kill or capture cattle.

4. Every animal captured under these regulations shall be branded with the brand of the owner, which brand shall be registered in the office of the Colonial Secretary when the licence is issued.

5. Every person holding a licence under this proclamation shall make a declaration every six months of the number and description of animals killed or captured by him during the preceding six months, and pay the fees thereon to the Colonial Secretary.

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6. The licence of any person making a false declaration shall be revoked.

7. Every licence granted under these regulations, and the number and description of animal killed and captured under each licence, shall be published from time to time on the Government Gazette Board.

8. On sufficient cause being shown, the Governor may, if he thinks fit, grant to any person, not being a holder of land as aforesaid, a licence to kill on Crown lands such wild cattle as he may require for consumption only, on payment of a fee of £1. for each animal.

Published by order of his Excellency Governor Mackenzie.

(Signed) W. R. PYNE,
Colonial Secretary.

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THE
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Made for the Year 1862 to the Secretary of State having the Department of the Colonies; in continuation of the Reports annually made by the Governors of the British Colonies, with a view to exhibit generally

THE PAST AND PRESENT STATE

OF

HER MAJESTY'S COLONIAL POSSESSIONS.

TRANSMITTED WITH THE BLUE BOOKS
For the Year 1862.

PART II.

NORTH AMERICAN COLONIES;
AFRICAN SETTLEMENTS AND ST. HELENA;
AUSTRALIAN COLONIES AND NEW ZEALAND:
EASTERN COLONIES;
MEDITERRANEAN POSSESSIONS AND IONIAN ISLANDS, &c.

Presented to both Houses of Parliament by Command of Her Majesty,
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